THE NATIONAL ARCHIVES

FEDERAL REGISTER

OF THE UNITED STATES

VOLUME 15 NUMBER 94

Washington, Tuesday, May 16, 1950

TITLE 5—ADMINISTRATIVE PERSONNEL

Chapter III—Foreign and Territorial Compensation

[Departmental Reg. 108.106]

Subchapter B—The Secretary of State

PART 325—ADDITIONAL COMPENSATION IN FOREIGN AREAS

DESIGNATION OF DIFFERENTIAL POSTS

Section 325.11 *Designation of differential Posts* is amended as follows, effective on the date indicated:

1. Effective as of the beginning of the first pay period following May 13, 1950, paragraph (d) is amended by the addition of the following post:

Berlin, Germany.

(Sec. 102, Part I, E. O. 10000, Sept. 16, 1948, 13 F. R. 5453, 3 CFR, 1948 Supp.)

For the Secretary of State.

[SEAL] JOHN E. PEURIFOY,
Deputy Under Secretary.

MAY 9, 1950.

[F. R. Doc. 50-4152; Filed, May 15, 1950; 8:49 a. m.]

TITLE 16—COMMERCIAL PRACTICES

Chapter I—Federal Trade Commission

Subchapter A—Policies, Procedures, and Orders

[Docket No. 5455]

PART 3—DIGEST OF CEASE AND DESIST ORDERS

W. L. ABT

Subpart—*Advertising falsely or misleadingly:* § 3.30 *Composition of goods;* § 3.170 *Qualities or properties of product or service;* § 3.205 *Scientific or other relevant facts.* In connection with the offering for sale, sale, or distribution of respondent's products designated "Tasty Soup Mix", "Erbecell", "Garlic-Tabs", "Laxa-Tabs", "Carrot Tabs", "Mucin-Oide", "Iron-X", "Vitamin B Ration", and "Wheatex-B", or any other products of substantially similar composition or possessing substantially similar properties, whether sold under the same names or under any other names; disseminating, etc., any advertisements by means of the United States mails, or in commerce, or by any means to induce, etc., the purchase in commerce, etc., of said preparations, which advertisements represent, directly or by implication, (a) that the preparation "Tasty Soup Mix" will provide energy in any manner other than by supplying nutrition or that it possesses any energizing properties beyond those of a nutrient; (b) that the preparation "Erbecell" will relieve the discomforts of dyspepsia or griping bowels; (c) that the preparation "Garlic-Tabs"; (1) is a competent or effective treatment for any of the symptoms of high blood pressure or will afford any relief from dullness, fatigue, nervousness, dizziness, ringing in the ears, throbbing in the head, or any other associated symptom of high blood pressure; (2) will have any effect upon abnormal blood conditions; (3) will increase vim or vigor; (4) possesses any tonic properties; (5) possesses any therapeutic properties other than as a carminative agent; or, (6) will reduce intestinal putrefaction, or that one is benefited by a reduction of intestinal putrefaction; (d) that the preparation "Laxa-Tabs", (1) will cause the bowels to regularly and spontaneously evacuate themselves without assistance; (2) will induce bowel movements that are natural; (3) is a natural regulator or eliminant; (4) is gentle and nonirritant in its action; or, (5) possesses any tonic or significant astringent properties; (e) that the preparation "Carrot-Tabs", (1) is an aid to digestion; (2) possesses any antiseptic properties; or, (3) has any therapeutic value where there is a putrescent condition of body tissue present or potential; (f) that the preparation "Mucin-Oide" will (1) soothe nervous or irritated stomachs; (2) alleviate the pain incident to peptic ulcers or gastritis; or, (3) form a protective coating of the stomach which protects it against stomach acids; (g) that the preparation "Iron-X", when taken as directed

(Continued on next page)

CONTENTS

FEDERAL REGISTER

Published daily, except Sundays, Mondays, and days following official Federal holidays, by the Division of the Federal Register, National Archives and Records Service, General Services Administration, pursuant to the authority contained in the Federal Register Act, approved July 26, 1935 (49 Stat. 500, as amended; 44 U. S. C., ch. 8B), under regulations prescribed by the Administrative Committee of the Federal Register, approved by the President. Distribution is made only by the Superintendent of Documents, Government Printing Office, Washington 25, D. C.

The regulatory material appearing herein is keyed to the Code of Federal Regulations, which is published, under 50 titles, pursuant to section 11 of the Federal Register Act, as amended June 19, 1937.

The FEDERAL REGISTER will be furnished by mail to subscribers, free of postage, for $1.50 per month or $15.00 per year, payable in advance. The charge for individual copies (minimum 15¢) varies in proportion to the size of the issue. Remit check or money order, made payable to the Superintendent of Documents, directly to the Government Printing Office, Washington 25, D. C.

There are no restrictions on the republication of material appearing in the FEDERAL REGISTER.

CONTENTS—Continued

CODIFICATION GUIDE

A numerical list of the parts of the Code of Federal Regulations affected by documents published in this issue. Proposed rules, as opposed to final actions, are identified as such.

by respondent, will, (1) have any therapeutic effect upon an iron deficiency in the system, or upon any manifestations of such an iron deficiency; or, (2) have any beneficial effect in the treatment of impaired energy, unnatural thinness, pallor, or weak resistance to disease; (h) that the preparation "Vitamin B Ration", when taken as directed by respondent, will (1) provide any therapeutic benefits; (2) cure, or constitute an adequate or effective treatment of, fatigue, irritability, or nervousness; (3) restore vitality or appetite; (4) have any effect on the color of the hair; (5) except for Vitamins B_1 and B_2, provide the minimum daily adult nutritional requirements of the components of Vitamin B-complex; (6) promote better tone in the intestinal muscles or aid in the digestion of carbohydrates; or, (7) have any beneficial value except as a dietary supplement to persons whose usual diet is deficient in one or more of its components; (i) that the components of the Vitamin B-complex, with the exception of Vitamin B_2, are measured in terms of International Units; or, (j) that the preparation "Wheatex-B", (1) contains therapeuticaly significant amounts of Vitamin B-complex, iron, calcium, or phosphorous, or will supply the user with amounts of iron, calcium, or phosphorous significant to blood or body building; (2) will cure or substantially benefit nervousness, constipation, lack of appetite, and consequent listlessness; (3) possesses any therapeutic properties; or, (4) will increase the capacity for exertion in any manner other than by supplying nutrition, or have any beneficial value except as a dietary supplement in cases where the usual diet is deficient in one or more of its components; prohibited.

(Sec. 6, 38 Stat. 722; 15 U. S. C. 46. Interpret or apply sec. 5, 38 Stat. 719, as amended; 15 U. S. C. 45) [Cease and desist order, W. L. Abt, Docket 5455, March 8, 1950]

This proceeding having been heard by the Federal Trade Commission upon the complaint of the Commission, respondent's answer thereto, stipulation as to the facts entered into by and between counsel supporting the complaint and respondent, and recommended decision of the trial examiner (no briefs having been filed and oral argument not having been requested); and the Commission having made its findings as to the facts and its conclusion that the respondent has violated the provisions of the Federal Trade Commission Act:

It is ordered, That the respondent, W. L. Abt, individually and trading as Abt Laboratories, Abt Institute, Abt Products, Abt Institute of Natural Therapy, and Abt Products Co., or trading under any other name, his agents, representatives, and employees, directly or through any corporate or other device, in connection with the offering for sale, sale, or distribution of respondent's products designated "Tasty Soup Mix", "Erbecell," "Garlic-Tabs", "Laxa-Tabs", "Carrot Tabs", "Mucin-Oide", "Iron-X", "Vitamin B Ration", and "Wheatex-B", or any other products of substantially similar composition or possessing substantially similar properties, whether sold under the same names or under any other names, do forthwith cease and desist from:

1. Disseminating or causing to be disseminated any advertisement by means of the United States mails, or by any means in commerce, as "commerce" is defined in the Federal Trade Commission Act, which advertisement represents, directly or by implication:

(a) That the preparation "Tasty Soup Mix" will provide energy in any manner other than by supplying nutrition or that it possesses any energizing properties beyond those of a nutrient.

(b) That the preparation "Erbecell" will relieve the discomforts of dyspepsia or griping bowels.

(c) That the preparation "Garlic-Tabs":

(1) Is a competent or effective treatment for any of the symptoms of high blood pressure or will afford any relief from dullness, fatigue, nervoursness, dizziness, ringing in the ears, throbbing in the head, or any other associated symptom of high blood pressure;

(2) Will have any effect upon abnormal blood conditions;

(3) Will increase vim or vigor;

(4) Possesses any tonic properties;

(5) Possesses any therapeutic properties other than as a carminative agent; or

(6) Will reduce intestinal putrefaction, or that one is benefited by a reduction of intestinal putrefaction.

(d) That the preparation "Laxa-Tabs":

(1) Will cause the bowels to regularly and spontaneously evacuate themselves without assistance;

(2) Will induce bowel movements that are natural;

(3) Is a natural regulator or eliminant;

(4) Is gentle and non-irritant in its action; or

(5) Possesses any tonic or significant astringent properties.

(e) That the preparation "Carrot-Tabs":

(1) Is an aid to digestion;

(2) Possesses any antiseptic properties; or

(3) Has any therapeutic value where there is a putrescent condition of body tissue either present or potential.

(f) That the preparation "Mucin-Oide" will:

(1) Soothe nervous or irritated stomachs;

(2) Alleviate the pain incident to peptic ulcers or gastritis; or

(3) Form a protective coating of the stomach which protects it against stomach acids.

(g) That the preparation "Iron-X", when taken as directed by respondent, will:

(1) Have any therapeutic effect upon an iron deficiency in the system, or upon any manifestations of such an iron deficiency; or

(2) Have any beneficial effect in the treatment of impaired energy, unnatural thinness, pallor, or weak resistance to disease.

(h) That the preparation "Vitamin B Ration", when taken as directed by respondent, will:

(1) Provide any therapeutic benefits;

(2) Cure, or constitute an adequate or effective treatment of, fatigue, irritability, or nervousness;

(3) Restore vitality or appetite;

(4) Have any effect on the color of the hair;

(5) Except for Vitamin B_1 and B_{12}, provide the minimum daily adult nutritional requirements of the components of Vitamin B-complex;

(6) Promote better tone in the intestinal muscles or aid in the digestion of carbohydrates; or

(7) Have any beneficial value except as a dietary supplement to persons whose usual diet is deficient in one or more of its components.

(i) That the components of the Vitamin B-complex, with the exception of Vitamin B_1 are measured in terms of International Units.

(j) That the preparation "Wheatex-B":

(1) Contains therapeutically significant amounts of Vitamin B-complex, iron, calcium, or phosphorus, or will supply the user with amounts of iron, calcium, or phosphorus significant to blood or body building;

(2) Will cure or substantially benefit nervousness, constipation, lack of appetite, and consequent listlessness;

(3) Possesses any therapeutic properties; or

(4) Will increase the capacity for exertion in any manner other than by supplying nutrition, or have any beneficial value except as a dietary supplement in cases where the usual diet is deficient in one or more of its components.

2. Disseminating or causing to be disseminated any advertisement, by any means, for the purpose of inducing, or which is likely to induce, directly or indirectly, the purchase in commerce, as "commerce" is defined in the Federal Trade Commission Act, of said preparations, which advertisement contains any of the representations prohibited in paragraph 1 hereof.

It is further ordered, That respondent shall, within sixty (60) days after the service upon him of this order, file with the Commission a report in writing, setting forth the manner and detail in which he has complied with this order.

Issued: March 8, 1950.

By the Commission.

[SEAL] D. C. DANIEL,
Secretary.

[F. R. Doc. 50-4153; Filed, May 15, 1950; 8:49 a. m.]

Subchapter B—Trade Practice Conference Rules

[File No. 21-410]

PART 189—FINE AND WRAPPING PAPER DISTRIBUTING INDUSTRY

Due proceedings having been held under the trade practice conference procedure in pursuance of the act of Congress approved September 26, 1914, as amended (Federal Trade Commission Act), and other provisions of law administered by the Commission;

It is now ordered, That the trade practice rules of Group I and Group II, as hereinafter set forth, which have been approved and received, respectively, by the Commission in this proceeding, be promulgated as of May 16, 1950.

Statement by the Commission. Trade practice rules for the Fine and Wrapping Paper Distributing Industry are promulgated by the Federal Trade Commission as hereinafter set forth.

The industry is composed of the persons, firms, corporations, or organizations engaged in wholesaling, jobbing, or distributing a variety of paper products coming within the group known as fine and wrapping paper. Included therein are writing papers, envelopes, paperboard, and many other paper items. Aggregate annual sales of these products exceed a billion dollars. Customers of industry members include book and magazine printers, stationery printers and stationers, wholesale establishments, retail stores, shippers, paper-box manufacturers, etc.

Trade practice conference proceedings in this matter were instituted upon application from the industry. A conference for all industry members was held in New York City at which proposals for rules were received and considered. Subsequently, a draft of proposed rules in appropriate form was made available by the Commission and public notice given whereby all interested and affected parties or groups were afforded opportunity to present their views, suggestions, or objections and to be heard. Pursuant to the official notice, public hearing was held in Washington, D. C., and all matters there presented, or otherwise submitted in the proceeding, were duly considered.

Upon consideration of the entire proceeding, the Commission approved and received, respectively, the Group I and Group II rules set out below, which become operative thirty (30) days from date of promulgation.

Such rules are directed to the objective of aiding in the prevention of unfair trade practices and maintaining free and fair competition in the conduct of the business. Issuance of the rules and the proceedings in respect thereto are without prejudice to any other proceeding before the Commission.

These rules promulgated by the Commission are designed to foster and promote the maintenance of fair competitive conditions in the interest of protecting industry, trade, and the public. It is to this end, and to the exclusion of any act or practice which supresses competition, restrains trade, fixes or controls price through combination or agreement, or which otherwise injures, destroys, or prevents competition, that the rules are to be applied.

GROUP I

AUTHORITY: §§ 189.1 to 189.110, issued under sec. 6, 38 Stat. 722; 15 U. S. C. 46. Interpret or apply sec. 5, 38 Stat. 719, as amended; 15 U. S. C. 45.

GROUP I

General statement. The unfair trade practices embraced in the Group I rules herein are considered to be unfair methods of competition, unfair or deceptive acts or practices, or other illegal practices, prohibited under laws administered by the Federal Trade Commission; and appropriate proceedings in the public interest will be taken by the Commission to prevent the use, by any person, partnership, corporation, or other organization subject to its jurisdiction, of such unlawful practices in commerce.

§ 189.1 *Misrepresentation in general.* It is an unfair trade practice to use, or cause or promote the use of, any trade promotional literature, advertising matter, mark, brand, label, designation, or other representation, however disseminated or published, which has the capacity and tendency or effect of misleading or deceiving purchasers or prospective purchasers with respect to the grade, quality, quantity, price, value, origin, size, weight, strength, thickness, use, preparation, composition or "furnish", packing, count, finish, manufacture, or distribution of any product of the industry, or in any other material respect.

NOTE: The word "furnish" as used in this rule means the composite ingredients fed into a paper-making machine to produce a particular kind of paper.

[Rule 1]

§ 189.2 *Misrepresentation as to the character of buisness.* It is an unfair trade practice for any member of the industry, in the course of or in connection with the distribution or sale of industry products, to represent, directly or indirectly, that he is a manufacturer, wholesaler, distributor, or retailer of industry products when such is not the fact, or in any other manner to misrepresent the character, extent, or type of his business. [Rule 2]

§ 189.3 *Deception as to available supply of advertised merchandise.* The advertising or offering for sale of small and inadequate supplies (whether as closeouts or otherwise) of well-known brands of products at greatly reduced or bargain prices without disclosure of the quantity or of the inadequacy of the supply available at such prices, with the capacity and tendency or effect of thereby misleading or deceiving the purchasing or consuming public, is an unfair trade practice. [Rule 3]

§ 189.4 *False invoicing.* Withholding from or inserting in an invoice, billing, or statement any material information by reason of which omission or insertion a false record is made, wholly or in part, of the transaction which such invoice, billing, or statement purports to represent, with the purpose and effect of thereby misleading or deceiving purchasers, prospective purchasers, or the consuming public, is an unfair trade practice. [Rule 4]

§ 189.5 *False and misleading price quotations, etc.* The publishing or circulating by any member of the industry of false or misleading price quotations, price lists, or terms or conditions of sale, with the capacity and tendency or effect of thereby misleading or deceiving purchasers or prospective purchasers, is an unfair trade practice. [Rule 5]

§ 189.6 *Misrepresenting products as conforming to standard.* Representing, through advertisement or otherwise, that any products of the industry conform to a standard recognized in or applicable to the industry when such is not the fact, with the capacity and tendency or effect of misleading or deceiving the purchasing or consuming public, is an unfair trade practice. [Rule 6]

§ 189.7 *Imitation or simulation of trade-marks, trade names, etc.* The imitation or simulation of the trade-marks, trade names, brands, or labels of competitors, with the capacity and tendency or effect of misleading or deceiving the purchasing or consuming public, is an unfair trade practice. [Rule 7]

§ 189.8 *Deceptive use of trade or corporate names, trade-marks, etc.* The use of any trade name, corporate name, trade-mark, or other trade designation which has the capacity and tendency or effect of misleading or deceiving the purchasing or consuming public as to the name, nature, or origin of any product of the industry or of any material used therein, or which is false or misleading in any other respect, is an unfair trade practice. [Rule 8]

§ 189.9 *Substitution of products.* The practice of shipping or delivering products which do not conform to samples submitted, to specifications upon which the sale is consummated, or to representations made prior to securing the order, without the consent of the purchasers to such substitution and with the capacity and tendency or effect of misleading or deceiving the purchasing or consuming public, is an unfair trade practice.

NOTE: Nothing in this section shall be construed as preventing the application of such tolerances as are agreed upon between buyer and seller or are otherwise deemed reasonable and proper and where no misrepresentation or deception of the purchasing public is practiced or promoted in relation to the product or its deviation from sample or specifications.

[Rule 9]

§ 189.10 *Enticing away employees of competitors.* It is an unfair trade practice for any member of the industry wilfully to entice away employees of competitors with the intent and effect of thereby unduly hampering or injuring competitors in their business and destroying or substantially lessening competition: *Provided*, That nothing in this section shall be construed as prohibiting employees or agents from seeking or obtaining more favorable employment. [Rule 10]

§ 189.11 *Procurement of competitors' confidential information by unfair means and wrongful use thereof.* It is an unfair trade practice for any member of the industry to obtain information concerning the business of a competitor by bribery of any employee or agent of such competitor, by false or misleading statements or representations, by the impersonation of one in authority, or by any other unfair means, and to use the information so obtained in such manner as to injure said competitor in his business or to suppress competition or unreasonably restrain trade. [Rule 11]

§ 189.12 *Defamation of competitors or disparagement of their products.* The defamation of competitors by falsely imputing to them dishonorable conduct, inability to perform contracts, questionable credit standing, or by other false representations, or the false disparagement of the products of competitors in any respect, or of their business methods, selling prices, values, credit terms, policies, or services, is an unfair trade practice. [Rule 12]

§ 189.13 *Selling below cost.* The practice of selling industry products below the seller's cost, when pursued with wrongful intent of thereby injuring a competitor and where the effect of such practice is to unreasonably restrain trade, tend to create a monopoly, or substanially lessen competition, is an unfair trade practice.

This section is not to be construed as prohibiting all sales below cost, but only such selling below the seller's cost as is resorted to and pursued as a monopolistic practice with the wrongful intent referred to and coupled with the effect of unreasonably restraining trade, tending to create a monopoly, or substantially lessening competition.

The costs referred to in the section are actual costs of the respective seller and not some other figure or average costs in the industry determined by an industry cost survey or otherwise. [Rule 13]

§ 189.14 *Combination or coercion to fix prices, suppress competition, or restrain trade.* It is an unfair trade practice for a member of the industry, or any other person:

(a) To use, directly or indirectly, any form of threat, intimidation, or coercion against any member of the industry or other person to unlawfully fix, maintain, or enhance prices, suppress competition, or restrain trade; or

(b) To enter into or take part in, directly or indirectly, any agreement, understanding, combination, conspiracy, or concerted action with one or more members of the industry, or with one or more other persons, to unlawfully fix, maintain, or enhance prices, suppress competition, or restrain trade. [Rule 14]

§ 189.15 *Prohibited discrimination—*(a) *Prohibited discriminatory prices, or rebates, refunds, discounts, credits, etc., which effect unlawful price discrimination.* In the marketing in commerce[1] of products of the industry of like grade and quality for use, consumption, or resale within the jurisdiction of the United States, and subject to subdivisions (i), (ii), (iii) of subparagraph (1) of this paragraph, it is an unfair trade practice for any member of the industry engaged therein to discriminate in price between different purchasers where the effect thereof may be substantially to lessen competition or tend to create a monopoly in any line of commerce, or to injure, destroy, or prevent competition with such industry member or with any person who knowingly receives the benefit of such discrimination or with their customers.

(1) The inhibitions against such discrimination in price shall be applicable irrespective of whether the discrimination in price itself is effected in the form, or through the means, of rebates, refunds, discounts, credits, allowances, or other form of price differential.

(i) However, nothing herein contained shall prevent differentials which make only due allowance for differences in the cost of manufacture, sale, or delivery resulting from the differing methods or quantities in which the products are sold or delivered to said purchasers.

(ii) Nor shall anything herein contained prevent persons engaged in selling products in commerce[1] from selecting their own customers in bona fide transactions and not in restraint of trade.

(iii) Nor shall anything herein contained prevent price changes from time to time where made in response to changing conditions affecting the market for or the marketability of the goods concerned, such as but not limited to actual or imminent deterioration of perishable goods, obsolescence of seasonal goods, distress sales under court process, or sales in good faith in discontinuance of business in the goods concerned.

(b) *Prohibited brokerage or commissions.* In the selling of industry products in commerce,[1] it is an unfair trade practice for any member of the industry engaged therein to pay or grant, or to receive or accept, any commission, brokerage, or other compensation, or any allowance or discount in lieu thereof, except for services rendered in connection with the sale or purchase of such products, either to the other party to such transaction or to an agent, representative, or other intermediary therein, where such intermediary is acting in fact for or in behalf, or is subject to the direct or indirect control, of any party to such transaction other than the person by whom such compensation is so granted or paid.

(c) *Prohibited advertising or promotional allowances, etc.* In the selling of industry products in commerce[1] by any member of the industry, and in the course thereof, it is an unfair trade practice for such member to pay or contract for the payment of anything of value to or for the benefit of his customer as compensation or in consideration for certain services or facilities furnished by or through such customer, unless such payment or consideration is available on proportionally equal terms to all other customers of such member competing in the distribution of such products.

(1) As used in this paragraph, the certain services or facilities referred to are such as are furnished by or through the customer in connection with the processing, handling, sale, or offering for sale, of such industry member's products.

(d) *Prohibited discrimination in services or facilities.* In the sale of industry products bought for resale, with or without processing, it is an unfair trade practice for any member of the industry to discriminate in favor of one purchaser against another purchaser by furnishing certain services or facilities upon terms not accorded to all purchasers on proportionally equal terms.

(1) Said services or facilities referred to in this paragraph are such as are connected with the processing, handling, sale, or offering for sale, of the products purchased, and the term "furnishing" as used in this paragraph shall be construed as including contracting to furnish, and contributing to the furnishing of, the services or facilities.

(e) *Inducing or receiving an illegal discrimination in price.* It is an unfair trade practice for any member of the industry, in the course of commerce[1] in which he is engaged, knowingly to induce or receive a discrimination in price which is prohibited by the foregoing provisions of this section.

(f) *Exemptions.* The inhibitions of this section shall not apply to purchases of their supplies for their own use by schools, colleges, universities, public libraries, churches, hospitals, and charitable institutions not operated for profit. [Rule 15]

§ 189.16 *Coercing purchase of one product as a prerequisite to the purchase of other products.* The practice of coercing the purchase of one or more products, as a prerequisite to the purchase of one or more other products, where the effect may be to substantially lessen competition or tend to create a monopoly or to unreasonably restrain trade, is an unfair trade practice. [Rule 16]

§ 189.17 *Abetting use of unfair trade practices.* It is an unfair trade practice for any person, firm, or corporation to abet, coerce, or induce another, directly or indirectly, to use or promote the use of any unfair trade practice specified in §§ 189.1 to 189.17. [Rule 17]

GROUP II

General statement. Group II rules, are considered to be conducive to sound business methods and voluntary compliance therewith may be encouraged and promoted through individual or cooperative action exercised in accordance with law. Rules in Group II are optional and not mandatory, except that when any action is taken under such rules, observance of all restrictive provisions or inhibitions contained therein is required.

If a practice condemned by a Group II rule is pursued in such a manner as to effectuate an unfair method of competition or unfair or deceptive act or practice in interstate commerce, corrective proceedings in respect thereto may be instituted by the Commission.

§ 189.101 *Arbitration.* The industry approves the practice of handling business disputes between members of the industry and their customers and suppliers in a fair and reasonable manner, coupled with a spirit of moderation and good will, and every effort should be made by the disputants themselves to compose their differences. If unable to do so they should, if possible, submit these disputes to impartial arbitration. [Rule A]

§ 189.102 *Return of merchandise.* The practice, by members of the industry, of selling merchandise and later permitting the purchaser to return it for credit or refund of purchase price, without just cause, creates waste and loss, increases the cost of doing business to the detriment of both the industry and the public, and is condemned by the industry, subject, however, to the requirements and limitations named in § 189.15. [Rule B]

§ 189.103 *Price lists.* The industry approves the practice of each individual member of the industry independently publishing and circulating to customers and prospective customers his own price lists. The industry also approves the practice of such member including his terms of sale, independently arrived at, as part of his own published price list. [Rule C]

§ 189.104 *Cost records.* It is the judgment of the industry that each member should independently keep proper and accurate records for determining his costs.

It is the judgment of the industry that the individual and independent use by any member of sound cost-accounting methods, whereby such member's own costs are individually and independently determined by him, is in the public interest and is recommended by the industry.

It is understood that no action shall be taken under this section which shall be in conflict with any provision of law or any provision of any order of the Federal Trade Commission with respect to the industry, nor shall any person be expected to use or adopt any cost-accounting method or system, or to comply therewith, except as he may desire. [Rule D]

§ 189.105 *Dissemination of credit information.* The industry records its approval of the distribution among members of the industry of information covering delinquent and slow credit accounts insofar as such may be lawfully done. [Rule E]

[1] As used throughout this section the word "commerce" means "trade or commerce among the several States and with foreign nations, or between the District of Columbia or any Territory of the United States and any State, Territory, or foreign nation, or between any insular possessions or other places under the jurisdiction of the United States, or between any such possession or place and any State or Territory of the United States or the District of Columbia or any foreign nation, or within the District of Columbia or any Territory or any insular possession or other place under the jurisdiction of the United States."

§ 189.106 *Repudiation of contracts.* Lawful contracts are business obligations which should be performed in letter and in spirit. The repudiation of contracts by sellers or by buyers is condemned by the industry. [Rule F]

§ 189.107 *Saturday - Sunday closing.* In the interest of the public and industry employees, it is recommended by the industry that the members adhere to the usual practice of not opening their places of business on Saturdays and Sundays for the transaction of business. [Rule G]

§ 189.108 *Labor conditions.* It is the judgment of the industry that the elimination of oppressive child labor and the establishment of adequate minimum wages and reasonable maximum hours of work by all members of the industry are principles to be encouraged as being in the public interest and conducive to fair competition. [Rule H]

§ 189.109 *Statistical information.* The members of the industry believe that the collection and publication in the widest possible manner of statistics respecting market information on the operations of the industry as a whole will prove helpful to all interested parties. Such statistics shall not be compiled, disseminated, or used in any manner which has the effect of revealing the identity of an industry member, information peculiar to the operations of an industry member, or transactions engaged in by an industry member or a buyer of industry products; nor shall any person be compelled to furnish any data contemplated by this section. The compilation, dissemination, or use of any statistical information shall not provide for nor result in any action violative of law or in conflict with the provisions of any order issued by the Federal Trade Commission with respect to the members of this industry. It is further understood that no action shall be taken under this section which, directly or indirectly, would tend to effectuate the collective, collusive, or cooperative fixing or maintenance of prices, or other restraints of trade. [Rule I]

§ 189.110 *Committee.* A Committee on Trade Practices in the industry may be created to cooperate with the Federal Trade Commission and to perform such acts as may be legal and proper to put §§ 189.101 to 189.110 into effect.

Promulgated by the Federal Trade Commission, May 16, 1950.

Issued: May 11, 1950.

[SEAL] D. C. DANIEL,
Secretary.

[F. R. Doc. 50-4154; Filed, May 15, 1950; 8:49 a. m.]

PROPOSED RULE MAKING

DEPARTMENT OF AGRICULTURE

Production and Marketing Administration

[P & S Docket No. 435]

MARKET AGENCIES AT UNION STOCK YARDS, DENVER, COLO.

PETITION FOR MODIFICATION OF TEMPORARY RATES

Pursuant to the provisions of the Packers and Stockyards Act, 1921, as amended (7 U. S. C. 181 et seq.), the Judicial Officer issued an order on May 23, 1949 (8 A. D. 532), continuing in effect the order of May 24, 1948 (7 A. D. 391), to and including June 30, 1950. The order of May 24, 1948, authorized respondents to file a tariff No. 12 which was a part of the petition preceding the order and continued in effect the provisions of a previous order dated August 20, 1946 (5 A. D. 600), as modified, to and including June 30, 1949.

By a petition filed on April 28, 1950, respondents have requested authority to file, and establish as of July 1, 1950, a new schedule of rates and definitions set forth in a proposed Tariff No. 13 attached to and made a part of the petition. The petition also requests that authorization continue in effect until and including September 30, 1951, and that they be permitted to submit Profit and Loss Statements, Statements of Volume and Reports of Salaries Paid on an annual basis in lieu of the requirements of the current order. The proposed Tariff No. 13 reads as follows:

ARTICLE 1—DEFINITIONS

Cattle are animals of the bovine species weighed in drafts, the average weight of the animals in which is over 400 pounds.

Calves are animals of the bovine species weighed in drafts, the average weight of the animals in which is 400 pounds or under.

Bulls are animals of the bovine species sold for slaughter or as feeders weighed in drafts, the average weight of the animals in which is 600 pounds or over.

Hogs are all swine, irrespective of weight.

Sheep are all animals of the bovine species and, for purposes of assessing charges in this tariff, include goats.

A consignment for the purpose of assessing buying charges is all the livestock of one species bought at any time but shipped to or delivered to one person on one market day.

A draft is all the animals in one consignment weighed as a single sales classification.

A person is an individual, a partnership, a corporation and/or an association of any such acting as a unit.

NOTE: For the purpose of assessing charges under this tariff, cattle, calves and bulls are to be considered as belonging to different species.

ARTICLE 2—SELLING CHARGES

SECTION A

Straight cars—single ownership—one species

Rates provided in article 2, section A are maximum rates per car, or multiples thereof, for animals of one species and of one ownership and shall not exceed rates provided under article 2, section B for the number of head in each car containing the animals arriving by rail.

	Per car
Cattle—single deck	$30.00
Calves—single deck	30.00
Calves—double deck	40.00

Straight cars—single ownership

Sheep:	Per car
Single deck	$20.00
Double deck	30.00

Straight cars—single ownership

Hogs:	Per car
Single deck	$20.00
Double deck	30.00

SECTION B

Other modes of arrival

Cattle:	Per head
Consignments of 1 head and 1 head only	$1.10
Consignments of more than 1 head:	
First 15 head in each consignment	1.00
Each head over 15 in each consignment	.90
Calves:	
Consignment of 1 head and 1 head only	$0.65
Consignments of more than 1 head:	
First 15 head in each consignment	.55
Each head over 15 in each consignment	.45
Bulls:	
Sold for slaughter or as feeders	1.50
Hogs:	
Consignments of 1 head and 1 head only	.55
Consignments of more than 1 head:	
First 10 head in each consignment	.45
Next 15 head in each consignment	.35
Each head over 25 in each consignment	.25
Sheep:	
Consignments of 1 head and 1 head only	.50
Consignments of more than 1 head:	
First 10 head in each 250 head in each consignment	.35
Next 50 head in each 250 head in each consignment	.19
Next 60 head in each 250 head in each consignment	.10
Next 130 head in each 250 head in each consignment	.06
Dairy and breeding animals:	
Milk cows with or without calf at side	1.50
Purebred or registered cows, heifers and bulls	7.50
Rams for breeding purposes	1.00

NOTE: (a) When single-deck cars are furnished in lieu of a double-deck car or cars ordered, each two single-deck cars shall be considered to be a double-deck car.

(b) Where not to exceed two animals of different ownership are contained in a single owner consignment, the consignment shall be considered to be a single owner consignment and charges shall be assessed to each owner accordingly.

SECTION C

The sale of "plants," or livestock, which have been previously weighed and on which a commission has been charged for regularly established and registered traders at the Denver Union Stock Yards, will be

charged for according to the regular rate of commission.

SECTION D

On all carloads of livestock that are put through the auction sales ring during Stock Show Week, one and only one regular selling commission shall be charged by the market agency, provided the carload is of the same ownership and same identity.

SECTION E

Any sale of livestock made at the auction sales ring during Stock Show Week shall be contingent and not final until the buyer of said livestock has made satisfactory settlement or arrangements with the market agency handling the said livestock. But in the event that the market agency has issued release or releases to the buyer of the livestock then all liability for payment of said livestock to the owner or owners must be assumed and made by the market agency.

ARTICLE 3—EXTRA SERVICE CHARGES

The following extra service charges are applicable to all species:

SECTION A

When a buyer who has purchased livestock from a commission firm requests any service and/or assistance, and/or elects to have the firm place billing order or orders and service is actually rendered, one-fourth of the regular buying commission shall be charged for such service. This service charge shall not be assessed to purchasers of registered or purebred cattle bought for breeding purposes during the week of the Stock Show, or when regular buying commission is charged.

SECTION B

For each additional weight draft over 3, on account of sales classification: $0.25

For each additional check, each additional account of sales, each proceeds deposited or bank credit, over 2: $0.05

ARTICLE 4—BUYING CHARGES

SECTION A

The rates for buying livestock of the various species shall be the same as those for selling like species, except (1) that no draft shall be made; and (2) when buys are made to complete a Purchase Order for more than two agencies and/or dealers, a charge of 50¢ shall be made for each additional agency and/or dealer in excess of two.

SECTION B

When livestock bought from other firms by the purchaser himself is paid and/or picked up and/or billed out or any other assistance is rendered in the purchase of the stock, the regular buying commission shall be charged to the buyer.

SECTION C

No person doing a livestock commission business is to act in the dual capacity of buyer and seller of any shipment of livestock consigned to him, with the exception of fat sheep and fat lambs.

DEDUCTIONS MADE BY SELLING AGENCIES AT DENVER FOR THE ACCOUNT OF OTHERS

The charges set forth below are for the accommodation of the shippers and their organizations and are not collected at the direction of The Denver Live Stock Exchange or at the behest of or by the Government.

(a) For the Colorado-Nebraska Lamb Feeders Association, for the Colorado Wool Growers Association and for the Colorado Cattlemen's Association, such assessments on livestock consignments of their members may be levied by the respective bodies from time to time, the names of said members to be filed with the respective firms. Such collections, however, to be optional with each of said member shippers.

(b) For the Colorado Board of Livestock Inspection Commissioners, 6 cents per head on all cattle originating in said state when such inspection fee has not been paid at loading point, for the purpose of providing proper brand inspection on such shipments.

(c) For the National Live Stock and Meat Board, 25 cents per straight cars (single ownership on all consignments) of cattle and hogs, and 75 cents on all consignments of sheep to be sold on this market. Such collection, however, to be optional with shippers. Commensurate charges for all other modes of arrival.

(d) For Yard insurance coverage on fire and mixing caused by fire on all livestock while in the yards, 10 cents per carload, commensurate charges on all other modes of arrival.

(e) For fire insurance coverage on livestock exhibited at the National Western Stock Show during the week of Stock Show the following charges shall be made and deducted, if directed in writing by the Denver Union Stock Yard Company:

	Per head
Breeding cattle and fat steers	$0.50
Nurse cows	.50
Breeding sheep	.20
Junior show sheep and hogs	.20

(f) There shall be collected in addition to the regular selling commission on all livestock passing through the sales ring of the Denver Union Stock Yards, an auctioneer fee as hereinafter provided:

DURING STOCK SHOW WEEK

Cattle or calves: $1.50 for each individual head.

Cattle or calves: $5.00 for each carload.

Lots of three head or more sold together to be assessed at the carload rate.

Fat wethers and barrows: $0.50 per head.

More than six head of either hogs or sheep to be assessed at the carload rate of $3.00 provided they are sold as a group.

4-H CLUB SALES AND FUTURE FARMERS OF AMERICA SALES AT AUCTION OTHER THAN DURING STOCK SHOW WEEK

Cattle or calves: $1.00 for each individual head.

Cattle or calves: $5.00 when sold in groups of five or more.

Authorization to file the proposed Tariff No. 13 would increase the charges paid by the public and produce additional revenue for the respondents. Accordingly, this public notice of the contents of the petition is given and all interested persons shall have an opportunity to be heard in the matter.

All interested persons who wish to be heard upon the matter shall notify the Hearing Clerk, United States Department of Agriculture, Washington 25, D. C., within 15 days after the date of publication of this notice.

Done at Washington, D. C., this 11th day of May 1950.

[SEAL] KATHERINE L. MASON,
Hearing Clerk.

[F. R. Doc. 50-4168; Filed, May 15, 1950; 8:52 a. m.]

[7 CFR, Part 913]

[Docket No. AO-23-A9]

HANDLING OF MILK IN THE GREATER KANSAS CITY MARKETING AREA

PROPOSED AMENDMENTS TO TENTATIVE MARKETING AGREEMENT AND TO ORDER, AS AMENDED

Pursuant to the Agricultural Marketing Agreement Act of 1937, as amended (7 U. S. C. 601 et seq.) and the applicable rules of practice and procedure governing the formulation of marketing agreements and marketing orders (7 CFR, Part 900), notice is hereby given of a hearing to be held in Room 428, Federal Building, 811 Grand Street, Kansas City, Missouri, beginning at 10:00 a. m., c. s. t., May 22, 1950, for the purpose of receiving evidence with respect to proposed amendments hereinafter set forth, or appropriate modifications thereof, to the tentative marketing agreement heretofore approved by the Secretary of Agriculture and to the order, as amended, regulating the handling of milk in the Greater Kansas City milk marketing area. These proposed amendments have not received the approval of the Secretary of Agriculture.

Amendments proposed by Pure Milk Producers Association of Greater Kansas City, Inc.:

1. Amend and renumber the entire order to read as follows:

§ 913.1 *Act.* "Act" means Public Act No. 10, 73d Congress, as amended and as reenacted and amended by the Agricultural Marketing Agreement Act of 1937, as amended (7 U. S. C. 601 et seq.).

§ 913.2 *Secretary.* "Secretary" means the Secretary of Agriculture of the United States or other officer or employee of the United States authorized to exercise the powers or to perform the duties of the said Secretary of Agriculture of the United States.

§ 913.3 *Department.* "Department" means the United States Department of Agriculture or such other Federal agency as is authorized to perform the price reporting functions specified herein.

§ 913.4 *Person.* "Person" means any individual, partnership, corporation, association or any other business unit.

§ 913.5 *Cooperative Association.* "Cooperative Association" means any cooperative marketing association of milk producers who, after application the Secretary approves to be qualified to receive marketing service payments pursuant to § 913.89 (b) (such application to be made by the Association within six months after the effective date of this amended order. Thereafter, the Secretary shall review and redetermine the qualifications bi-annually). The cooperative association in order to be approved and qualified by the Secretary shall:

(a) Conform to the requirements relating to character of organization, voting, producer equities in reserves and dealing in products of nonmembers which are set forth in the Capper-Volstead Act and in the state laws under which the cooperative is organized.

(b) Operate as a responsible producer controlled marketing association, exercising full authority in the sale and marketing of its members milk under a membership agreement.

(c) Systematically checks the weights and tests of its members milk deliveries at the plants of handlers.

(d) Actively engage in a marketing program to assist members and all producers in securing the maximum return and highest class use for their milk.

§ 913.6 *Greater Kansas City marketing area.* "Greater Kansas City marketing area" hereinafter called the "marketing area", means all of the territory in Jackson County, Missouri; that part of Clay County, Missouri, South of Highway 92, beginning at the Platte County and Clay County line, east to the west section line of section 26 in Washington Township, north to the north section line of said section 26, east to the Clay County and Ray County line; Lee, Waldron, May and Pettis Townships in Platte County, Missouri; Wyandotte County, Kansas; Shawnee and Mission Townships in Johnson County, Kansas; and Delaware, Leavenworth, and that part of Kickapoo and High Prairie Townships east of the 95th principal meridian in Leavenworth County, Kansas.

§ 913.7 *Producer.* "Producer" means any person, irrespective of whether such person is also a handler, who is subject to the regular field inspection by the appropriate health authorities in the marketing area, and, who, under a dairy farm permit, or rating, issued by the appropriate health authorities in the marketing area for the production of milk to be used for consumption as milk in the marketing area, produces milk which is (a) received at a "pool plant"; (b) caused to be diverted from the farm to a plant by a cooperative association, or other handler, for the account of such cooperative association, or such handler; or (c) acceptable to and received by agencies of the United States Government for fluid consumption in its institutions or bases. As used herein "dairy farm permit or rating," means one issued by the health authority charged with the inspection of milk for fluid consumption in the part of the marketing area where such milk is sold or disposed of, or was sold or disposed of, before being diverted.

§ 913.8 *Pool plant.* During the months of September through February inclusive, a "pool plant" means a plant which has the approval of the appropriate health authorities and which either runs a route or supplies milk to a plant which runs a route in the marketing area from which Class I milk is disposed of.

A "pool plant" during the months of March through August inclusive means a plant which has the approval of the appropriate health authorities, and (a) either operates a route in the marketing area, or (b) supplies milk to a plant which operates a route in the marketing area and also supplied 25% or more of its producer receipts during each of the immediately previous months of September through January as Class I milk to a plant which operated a route in the marketing area.

§ 913.9 *Handler.* "Handler" means any person who (a) operates an approved pool plant or operates a non-pool plant and disposes of Class I milk on routes in the marketing area, or (b) any cooperative association, with respect to the milk of any producer, which such cooperative association causes to be diverted to a plant of a handler or to the plant of a non-handler for the account of such cooperative association. (Such milk shall be deemed to have been received at a plant by the Association.)

§ 913.10 *Producer handler.* "Producer handler" means any person who produces milk and operates an approved plant, but who receives no milk from producers.

§ 913.11 *Approved plant.* "An approved plant" means any milk plant approved by the applicable health authority for the handling of milk to be disposed of for Class I milk in the marketing area, and which is currently used for any or all of the handling functions of receiving, weighing (or measuring), sampling, cooling, pasteurizing, or other preparation of producer milk for sale or disposition as milk or cream for fluid consumption in the marketing area.

§ 913.12 *Producer milk.* "Producer milk" means all milk produced by a producer other than a producer-handler, which is purchased or received by a handler either directly from such producers or from other handlers.

§ 913.13 *Other source milk.* "Other source milk" means all milk and milk products other than producer milk.

§ 913.14 *Delivery period.* "Delivery period" means the current marketing period from the first of and including the last day of each month, or the portion thereof during which this order is effective.

§ 913.15 *Handler's country receiving station.* "Handler's country receiving station" means an approved plant of a handler located outside of the marketing area at which a handler, who has an approved pool plant, receives, weighs, samples, tests and cools a portion of his producer milk.

MARKET ADMINISTRATOR

§ 913.20 *Designation.* The agency for the administration hereof shall be a market administrator, selected by the Secretary, who shall be entitled to such compensation as may be determined by, and shall be subject to removal at the discretion of, the Secretary.

§ 913.21 *Powers.* The market administrator shall have the following powers with respect to this order:

(a) To administer its terms and provisions;

(b) To receive, investigate, and report to the Secretary complaints of violations;

(c) To make rules and regulations to effectuate its terms and provisions; and,

(d) To recommend amendments to the Secretary.

§ 913.22 *Duties.* The market administrator shall perform all duties necessary to administer the terms and provisions of this order, including but not limited to the following:

(a) Within 45 days following the date on which he enters upon his duties, or such lesser period as may be prescribed by the Secretary, execute and deliver to the Secretary a bond effective as of the date on which he enters upon such duties and conditioned upon the faithful performance of such duties, in an amount and with surety thereon satisfactory to the Secretary;

(b) Employ and fix the compensation of such persons as may be necessary to enable him to administer its terms and provisions;

(c) Obtain a bond in a reasonable amount and with reasonable surety thereon covering each employee who handles funds entrusted to the market administrator;

(d) Pay out of funds provided by § 913.90 the cost of his bond and of the bonds of his employees, his own compensation, and all other expenses (except those incurred under § 913.89) necessarily incurred by him in the maintenance and functioning of his office and in the performance of his duties;

(e) Keep such books and records as will clearly reflect the transactions provided for herein, and upon request by the Secretary surrender the same to such other person as the Secretary may designate;

(f) Submit his books and records to examination by the Secretary and furnish such information and reports as may be requested by the Secretary;

(g) Audit all reports and payments by each handler by inspection of such handler's records and of the records of any other handler or person upon whose utilization the classification of skim milk or butterfat for such handler depends;

(h) Publicly announce, at his discretion, unless otherwise directed by the Secretary, by posting in a conspicuous place in his office and by such other means as he deems appropriate, the name of any person who, within 10 days after the day upon which he is required to perform such acts, has not:

(1) Made reports pursuant to §§ 913.30 to 913.32;

(2) Maintained adequate records and facilities pursuant to § 913.33, or

(3) Made payments pursuant to §§ 913.80 to 913.87;

(i) On or before the 12th day after the end of each delivery period, report to each qualified cooperative association which so requests the amount and class utilization of milk caused to be delivered by such cooperative association, either directly or from producers who are members of such cooperative association, to each handler to whom the cooperative association sells milk. For the purpose of this report, the milk caused to be so delivered by a cooperative association shall be prorated to each class in the proportion that the total receipts of producer milk by such handler were used in each class;

(j) Publicly announce by posting in a conspicuous place in his office and by such other means as he deems appropriate the prices determined for each delivery period as follows:

(1) On or before the 5th day of each delivery period the minimum prices for Class I milk pursuant to § 913.51 (a) and the Class I butterfat differential pursuant to § 913.52 (a), both for the current delivery period; and the minimum price for Class II milk pursuant to § 913.51 (b) and the Class II butterfat differential pursuant to § 913.52 (b) both for the previous delivery period; and

(2) On or before the 10th day of each delivery period, the uniform price computed, pursuant to § 913.71 and the producer butterfat differential computed pursuant to § 913.82, both applicable to milk delivered during the previous delivery period; and

(k) Prepare and disseminate to the public such statistics and other information as he deems advisable and as do not reveal confidential information.

REPORTS, RECORDS AND FACILITIES

§ 913.30 *Reports of receipts and utilization.* On or before the 7th day after the end of each delivery period each handler, except a producer-handler, shall report to the market administrator in the detail and on forms prescribed by the market administrator as follows:

(a) The receipts at each plant of milk from each producer, the butterfat content, the average butterfat test and the number of days on which milk was received from such producer;

(b) The quantities of skim milk and butterfat contained in (or used in the production of) receipts from other handlers;

(c) The quantities of skim milk and butterfat contained in receipts of other source milk (except Class II products disposed of in the form in which received without further processing or packaging by the handler);

(d) The utilization of all skim milk and butterfat required to be reported pursuant to this section;

(e) The disposition of Class I products on routes wholly outside the marketing area;

(f) Such other information with respect to receipts and utilization as the market administrator may prescribe;

(g) If a cooperative association qualified and approved pursuant to §§ 913.5 and 913.89 so request, the handler shall report to such cooperative on or before the 17th day of the delivery period each member's daily deliveries of milk made to the handler during the first fifteen days of the delivery period and on or before the second day after the close of the delivery period report each member's daily deliveries for that portion of the immediately preceding delivery period not previously reported; and

(h) The pounds of skim milk and butterfat contained in or represented by all milk, skim milk, cream and milk products on hand at the beginning and end of the delivery period.

§ 913.31 *Payroll reports.* On or before the 20th day of each delivery period, each handler shall submit to the market administrator his producer payroll for deliveries of the preceeding delivery period which shall show (a) the total pounds of milk and the average butterfat test of milk delivered by each producer and each cooperative association and the total pounds of butterfat contained in such milk, (b) the amount of payment to each producer and cooperative association, and (c) the nature and amount of any deductions or charges involved in such payments.

§ 913.32 *Other reports.* (a) Each producer-handler shall make reports to the market administrator at such time and in such manner as the market administrator may prescribe.

(b) Each handler who causes producer milk to be diverted to any plant shall, prior to such diversion, report to the market administrator and to the cooperative association of which such producer is a member, his intention to divert such milk, the proposed date or dates of such diversion and the plant to which such milk is to be diverted.

§ 913.33 *Records and facilities.* Each handler shall maintain and make available to the market administrator or to his representative during the usual hours of business such accounts and records of his operations and such facilities as are necessary for the market administrator to verify or establish the correct data with respect to:

(a) The receipts and utilization of all receipts of producer milk and other source milk;

(b) The weights and tests for butterfat and other content of all milk, skim milk, cream and milk products handled;

(c) Payments to producers and cooperative associations; and

(d) The pounds of skim milk and butterfat contained in or represented by all milk, skim milk, cream and milk products on hand at the beginning and end of each delivery period.

§ 913.34 *Retention of records.* All books and records required under this order to be made available to the market administrator shall be retained by the handler for a period of three years to begin at the end of the calendar month to which such books and records pertain: *Provided,* That if, within such three-year period, the market administrator notifies the handler in writing that the retention of such books and records, or of specified books and records, is necessary in connection with a proceeding under section 8c (15) (A) of the act or a court action specified in such notice, the handler shall retain such books and records, or specified books and records, until further written notification from the market administrator. In either case the market administrator shall give further written notification to the handler promptly, upon the termination of the litigation or when the records are no longer necessary in connection therewith.

CLASSIFICATION

§ 913.40 *Skim milk and butterfat to be classified.* All skim milk and butterfat received within the delivery period by a handler and which is required to be reported pursuant to § 913.30 shall be classified by the market administrator pursuant to the provisions of §§ 913.41 to 913.46.

§ 913.41 *Classes of utilization.* Subject to the conditions set forth in §§ 913.43 and 913.44, the classes of utilization shall be as follows:

(a) Class I milk shall be all skim milk and butterfat disposed of for consumption in the form of milk, skim milk, buttermilk, flavored milk, flavored milk drinks, cream (sweet or sour including any mixture of cream and milk or skim milk containing less butterfat than the regular standard for cream), eggnog, aerated cream, ready whipped cream, and mixes for topping and uses similar to use of whipped cream, skim milk and butterfat used in creaming cottage cheese and all skim milk and butterfat not specifically accounted for under paragraph (b) of this section.

(b) Class II milk shall be all skim milk and butterfat used to produce butter, plain or sweetened condensed or evaporated milk, spray or roller process dry milk solids, ice cream, ice cream mix, frozen desserts, casein and margarine; that are used for starter churning, wholesale baking and candy-making purposes, cheese other than cottage cheese, butterfat and skim milk used to produce cottage cheese curd, butterfat and skim milk that is disposed of as livestock feed, shrinkage of skim milk or butterfat not in excess of 1% of the receipts from producers, and shrinkage allocated to other source milk.

§ 913.42 *Shrinkage.* The market administrator shall allocate shrinkage as follows: (a) Compute the total shrinkage of skim milk and butterfat for each handler, and (b) prorate the resulting amounts between the receipt of producer milk and other source milk (not including receipts from other handlers).

§ 913.43 *Responsibility of handlers and reclassification of milk.* (a) All skim milk and butterfat shall be Class I milk unless the handler who first receives such skim milk or butterfat can prove to the market administrator that such skim milk or butterfat should be classified otherwise.

(b) Any skim milk or butterfat (except that transferred to a producer-handler) shall be reclassified if verification by the market administrator discloses that the original classification was incorrect.

§ 913.44 *Transfers.* Skim milk or butterfat disposed of by a handler either by transfer or diversion shall be classified:

(a) As Class I milk if transferred or diverted in the form of milk, skim milk or cream, to the approved plant of another handler (except a producer-handler) unless utilization in Class II is mutually indicated in writing to the market administrator by both handlers on or before the 7th day after the end of the delivery period within which such transaction occurred: *Provided,* That the skim milk or butterfat so assigned to Class II shall be limited to the amount thereof remaining in Class II in the plant of the transferee-handler after the subtraction of other source milk pursuant to § 913.46, and any additional amounts of such skim milk or butterfat shall be assigned to Class I: *Provided further,* That if either or both handlers have received other source milk, the skim milk or butterfat so transferred or diverted shall be classified at both plants so as to allocate the greatest possible Class I utilization to producer milk.

(b) As Class I milk if transferred or diverted to a producer-handler in the form of milk, skim milk or cream.

(c) As Class I milk if transferred or diverted in the form of milk, skim milk or cream to an unapproved plant located more than 125 miles from the approved plant by the shortest highway distance

as determined by the market administrator.

(d) Milk, skim milk or cream sold or disposed of in fluid form by a handler to a plant of a non-handler who distributes fluid milk and cream shall be Class I milk unless all the following conditions are met: (1) Such non-handler's plant is located less than 125 miles from the approved plant where such milk was received from producer, (2) the Market Administrator is permitted to audit the records of such non-handler, (3) the receipts of a producer milk at approved plant are greater than the total sales of Class I and Class II milk from handler's route in the marketing area, (4) such non-handler receives milk from dairy farmers who the market administrator determines constitute such non-handler's regular source of supply for fluid usage.

If all the above conditions are met, the market administrator shall classify such skim milk and butterfat as follows: (1) Determine the use of all skim milk and all butterfat received at the plant of such non-handler, (2) allocate the skim milk and butterfat disposed of by the handler to such non-handler to the highest use remaining after subtracting in series beginning with the highest use classification, receipts of skim milk and butterfat by such nonhandler direct from dairy farmers, whose milk is qualified to be utilized for fluid usage.

(e) Skim milk or butterfat disposed of by a handler to a plant of a non-handler who distributes or diverts to a pool handler fluid milk, skim milk or cream shall be subject to reclassification up to the extent of the receipts of the handler from such non-handler.

§ 913.45 *Computation of the skim milk and butterfat in each class.* For each delivery period, the market administrator shall correct for mathematical and for other obvious errors the delivery period report submitted by each handler and shall compute the pounds of skim milk and butterfat in Class I milk and Class II milk for such handler.

§ 913.46 *Allocation of skim milk and butterfat classified.* After making the computations pursuant to § 913.45 the market administrator shall determine the classification of milk received from producers as follows:

(a) Skim milk shall be allocated in the following manner:

(1) Subtract from the total pounds of skim milk in Class II the pounds of skim milk determined as shrinkage in skim milk not in excess of 1% of the total receipts from producers.

(2) Subtract from the remaining pounds of skim milk in Class II the pounds of skim milk in other source milk: *Provided*, That if the receipts of skim milk in other source milk are greater than the remaining pounds of skim milk in Class II, an amount equal to the difference shall be subtracted from the pounds of skim milk in Class I;

(3) Subtract from the remaining pounds of skim milk in each class the skim milk received from other pool plants according to its classification as determined pursuant to § 913.44 (a);

(4) Add to the remaining pounds of skim milk in Class II the pounds of skim milk subtracted pursuant to subparagraph (1) of this paragraph; and

(5) If the remaining pounds of skim milk in both classes exceed the pounds of skim milk received from producers, subtract such excess from the remaining pounds of skim milk in series beginning with Class II milk. Any amount so subtracted shall be called "overage".

(b) Butterfat shall be allocated in accordance with the same procedure outlined for skim milk in paragraph (a) of this section.

(c) Determine the weighted average butterfat content of the Class I and Class II milk computed pursuant to paragraphs (a) and (b) of this section.

MINIMUM PRICES

§ 913.50 *Basic formula price to be used in determining Class I prices.* The basic formula price to be used in determining the price per hundredweight of Class I milk for the delivery period shall be the highest of the prices computed pursuant to paragraphs (a) or (b) of this section.

(a) The average of the basic or field prices per hundredweight reported to have been paid or to be paid for milk of 3.5 percent butterfat content received from farmers during the immediate preceding delivery period at the following plants or places for which prices have been reported to the market administrator or to the Department.

Present operator and location

Borden Co., Mount Pleasant, Mich.
Carnation Co., Sparta, Mich.
Pet Milk Co., Hudson, Mich.
Pet Milk Co., Wayland, Mich.
Pet Milk Co., Coopersville, Mich.
Borden Co., Greenville, Wis.
Borden Co., Black Creek, Wis.
Borden Co., Orfordville, Wis.
Borden Co., New London, Wis.
Carnation Co., Chilton, Wis.
Carnation Co., Berlin, Wis.
Carnation Co., Richland Center, Wis.
Carnation Co., Oconomowoc, Wis.
Carnation Co., Jefferson, Wis.
Pet Milk Co., New Glarus, Wis.
Pet Milk Co., Belleville, Wis.
White House Milk Co., Manitowoc, Wis.
White House Milk Co., West Bend, Wis.

divided by 3.5 and multiplied by 3.8.

(b) The price per hundredweight computed by adding together the plus values pursuant to subparagraphs (1) and (2) of this paragraph:

(1) To the simple average, as computed by the market administrator, of the daily wholesale selling prices (using the midpoint of any price range as one price) of Grade A (92-score) bulk creamery butter per pound at Chicago as reported by the Department during the immediately preceding delivery period, add 20 percent thereof and multiply by 3.8.

(2) To the simple average, as computed by the Market Administrator, of the weighted averages of carlot prices per pound of nonfat dry milk solids, spray, and roller process, respectively, for human consumption, f. o. b. manufacturing plants in the Chicago area, as published for the period by the Department from the 26th day of the second preceding month through the 25th day of the immediately preceding month, deduct 5.5 cents, and multiply by 7.

§ 913.51 *Class prices.* Subject to the provisions of §§ 913.52 and 913.53, the minimum prices per hundredweight to be paid by each handler for milk received at his plant from producers during the delivery period shall be as follows:

(a) *Class I milk.* The basic formula price plus $1.45 during all delivery periods: *Provided*, That during the delivery periods of March, April, May, June, July and August the price shall be the basic formula price plus $1.00: *Provided further*, That for each of the delivery periods of September, October, November and December, such Class I price shall be not less than that for the preceding delivery period, and that for each of the delivery periods of April, May and June such Class I price shall not be more than that for the preceding delivery period.

(b) *Class II milk.* (1) For the months of September, October, November, December, January and February the price of Class II milk shall be the higher of the basic formula prices for the current delivery period calculated pursuant to the formulas set out in paragraphs (a) or (b) of § 913.50.

(2) For the months of March, April, May, June, July and August the price for Class II milk shall be the price computed by adding together the plus values pursuant to subdivisions (i) and (ii) of this subparagraph:

(i) From the simple average as computed by the market administrator of the daily wholesale selling prices (using the midpoint of any price range as one price) of Grade A (92-score) bulk creamery butter per pound at Chicago, as reported by the Department during the delivery period, subtract 5 cents, add 20 percent thereof and multiply by 3.8.

(ii) From the simple average as computed by the market administrator of the weighted averages of carlot prices per pound for nonfat dry milk solids, spray, and roller process, respectively, for human consumption, f. o. b. manufacturing plants in the Chicago area as published for the period from the 26th day of the preceding month through the 25th day of the current month by the Department, deduct 5.5 cents, and multiply by 7.

§ 913.52 *Butterfat differentials to handlers*—(a) *Class I butterfat differentials to handlers.* If the average butterfat content of the milk of any handler allocated to Class I pursuant to § 913.46 is more or less than 3.8 percent there shall be added to the price computed pursuant to § 913.51 (a) for each one-tenth of 1 percent that the average butterfat content of such milk is above 3.8 percent, or subtracted for each one-tenth of 1 percent that such average butterfat content is below 3.8 percent an amount equal to the butterfat differential computed by multiplying the simple average, as computed by the market administrator, of the daily wholesale selling prices per pound (using the midpoint of any price range as one price) of Grade A (92-score) bulk creamery

butter at Chicago as reported by the Department during the preceding delivery period by 1.35 and dividing the result by 10:

(b) *Class II butterfat differentials to handlers.* If the average butterfat content of the milk of any handler allocated to Class II pursuant to § 913.46 is more or less than 3.8 percent, there shall be added to the price computed pursuant to § 913.51 (b) for each one-tenth of 1 percent that the average butterfat content of such milk is above 3.8 percent, or subtracted for each one-tenth of 1 percent that such average butterfat content is below 3.8 percent an amount equal to the butterfat differential computed by multiplying by the factor 1.2 the simple average, as computed by the market administrator, of the daily wholesale selling price per pound (using the midpoint of any price range as one price) of Grade A (92-score) bulk creamery butter at Chicago as reported by the Department during the month and dividing the result by 10.

Provided, That, for the months of March, April, May, June, July and August the factor of 1.15 shall be used instead of 1.2.

§ 913.53 *Location adjustment credit to handlers.* With respect to milk received from producers at a pooled handler's receiving plant located outside the marketing area which is classified as Class I, such handler shall be allowed the amount per hundredweight set forth in the schedule below for the distance by the shortest highway route from such handler's approved plant located within the marketing area within which is located the receiving plant where the milk is first received.

Mileage zone	Amounts per hundredweight (cents)
More than 50 but not more than 70 miles	16
Within each 10-mile zone thereafter an additional ½ cent.	

For the purpose of this paragraph Class I milk shall first be considered to be that milk purchased or received from producers at a handler's pool plant located in or nearest the marketing area.

APPLICATION OF PROVISIONS

§ 913.60 *Producer handlers.* Sections 913.40 to 913.46, 913.50 to 913.52, 913.70 to 913.71, 913.80 to 913.87 shall not apply to a producer-handler.

§ 913.61 *Other source milk.* If a handler has purchased or received other source skim milk and butterfat, the market administrator, in determining the net pool obligation of the handler pursuant to § 913.70 (a) shall consider such skim milk and butterfat as Class II milk. If the receiving handler sells or disposes of such skim milk or butterfat for other than Class II purposes the market administrator shall add an amount equal to the difference between (a) the value of such skim milk and butterfat according to its utilization by the handler, and (b) the value at the Class II prices. For the purpose of determining skim milk and butterfat values under this paragraph and that of § 913.62, skim milk value shall be computed by deducting the applicable handler butterfat differential from class prices, and determine butterfat values by multiplying the pounds of butterfat by the applicable handler differential times 10. The provision of this section shall not apply: (1) To shrinkage allocated to producers pursuant to § 913.46 (a) (1) and (2) if such handler can prove to the satisfaction of the market administrator that such skim milk and butterfat was used only to the extent that producers milk was not available.

§ 913.62 *Non-pool plant.* If a handler operates a plant which is not a pool plant, the market administrators shall determine the net pool obligation for each such handler pursuant to § 913.70 (a) as follows: Multiply the hundredweight of skim milk and butterfat at the average test disposed of as Class I within the marketing area by such handler by the value representing the difference between the Class II price at the butterfat test and the Class I price at the butterfat test.

§ 913.63 *Overage.* If a handler after subtracting receipts from other handlers and receipts of other source milk, has disposed of milk or butterfat in excess of the milk or butterfat which, on the basis of this report, has been delivered by producers, the market administrator, in determining the net pool obligation of such handler pursuant to § 913.70 (a), shall add an amount calculated by multiplying the pounds of such overage by the Class I price at the applicable butterfat test.

§ 913.64 *Diversion.* Milk which is caused to be diverted by a handler directly from producers' farms to an approved plant of another handler for not more than 5 days during any delivery period shall be considered as an interhandler transfer of milk, and shall be reported by the handler who caused such milk to be diverted.

§ 913.65 *Handlers subject to other orders.* Skim milk and butterfat disposed of as Class I milk in the marketing area shall not be subject to the provisions of this order if such milk is priced under another marketing agreement or order issued pursuant to the act, and, if such person making such disposition of milk in the marketing area is subject to regulations under such other marketing agreement or order, except as follows:

(a) The handler making such disposition of milk in the marketing area shall at such time and in such manner as the market administrator may require, make reports to the market administrator which shall be subject to verification by the market administrator.

(b) Such handler shall pay to the market administrator for the producer settlement fund (with respect to Class I milk disposed of in the area) an amount equal to any excess, if any, by which the value of such skim milk and butterfat at Class I prices exceeds its value as determined pursuant to the other order to which he is subject.

DETERMINATION OF UNIFORM PRICE

§ 913.70 *Computation of value of milk.* Subject to the provisions of §§ 913.60 to 913.64, inclusive, the net pool obligation of each handler during each delivery period shall be a sum of money computed for such delivery period as follows:

(a) *Handler operating pool plant.* (1) Multiply the pounds of milk in each class computed subject to § 913.46, by the applicable class prices set forth in § 913.51 adjusted by the butterfat differentials to handlers specified in § 913.52 and add together the resulting amounts.

(2) Subtract an amount equal to the total value of the location differential applicable pursuant to § 913.53.

(3) Add an amount equal to the total values pursuant to §§ 913.61, 913.62 and 913.63.

§ 913.71 *Computation of uniform price.* For each delivery period the market administrator shall compute the uniform price per hundredweight for milk of 3.8 percent butterfat content received from producers as follows:

(a) Combine in one total the values computed pursuant to § 913.70 for all pool handlers who made reports prescribed in § 913.30 and who made the payments pursuant to §§ 913.80 and 913.84 for the preceding delivery period; and

(b) The values computed pursuant to § 913.62 for non-pool handlers.

(c) Add the aggregate of the values of all allowable location differential adjustments to producers pursuant to § 913.81;

(d) For each of the delivery periods of May, June and July, subtract an amount equal to 20 cents per hundredweight of the total amount of milk received by handlers from producers and included in these computations, to be retained in the producer settlement fund for the purpose specified in § 913.86;

(e) Add an amount equal to one-half of the unobligated balance in the producer settlement fund;

(f) Subtract, if the average butterfat content of the milk included in these computations is greater than 3.8 percent, or add if such average butterfat content is less than 3.8 percent, an amount computed by multiplying the amount by which the average butterfat content of such milk varies from 3.8 percent, by the butterfat differential computed pursuant to § 913.82 and multiplying the resulting figure by the total hundredweight of such milk;

(g) Divide the resulting amount by the total hundredweight of milk included in these computations; and

(h) Subtract not less than 4 cents nor more than 5 cents from the amount computed pursuant to paragraph (f) of this section. The resulting figure shall be the uniform price for milk of 3.8 percent butterfat content received from producers.

PAYMENTS

§ 913.80 *Time and method of payment.* Each pool handler shall make payment as follows:

(a) On or before the 12th day after the end of the delivery period, during which the milk was received, to each producer at not less than the uniform price computed pursuant to § 913.71, adjusted by the butterfat differential computed pursuant to § 913.82, subject to location adjustments to producers pur-

suant to § 913.81 and less the amount of the payment made pursuant to paragraph (b) of this section: *Provided*, That with respect to producers whose milk was caused to be delivered to such pool handler by a cooperative association which is authorized to collect payment for such milk, and is qualified pursuant to §§ 913.5 and 913.89 (b) the pool handler shall if the cooperative association so requests, pay such cooperative association, on or before the 10th day after the end of the delivery period, an amount equal to the sum of the individual payments otherwise payable to such producers in accordance with this paragraph.

(b) On or before the 25th day of each delivery period, to each producer for milk received from him during the first 15 days of the month at the approximated value of the milk: *Provided*, That with respect to producers whose milk was caused to be delivered to such handler by a cooperative association which is authorized to collect payments for such milk, the handler shall, if the cooperative association so requests, pay such cooperative association at least 12 days before the end of the delivery period, an amount equal to the sum of the individual payments otherwise payable to such producers in accordance with this paragraph.

§ 913.81 *Location adjustment to producers.* In making payments to producers, pursuant to § 913.80 (a), for milk received at a handler's country receiving station that is located more than 50 but less than 70 miles by the shortest highway distance, from the handlers in the marketing area approved pool plant, the handler shall deduct 16 cents per hundredweight.

There shall be deducted an additional ½ cent per hundredweight for each 10 miles or fraction thereof in excess of 70 miles.

§ 913.82 *Producer butterfat differential.* In making payments pursuant to § 913.80, there shall be added to or subtracted from the uniform price for each one-tenth of 1 percent that the average butterfat content of the milk received from the producer is above or below 3.8 percent, an amount computed by adding 4 cents to the simple average, as computed by the market administrator, of the daily wholesale selling prices per pound (using the midpoint of any price range as one price) of Grade A (92-score) bulk creamery butter at Chicago as reported by the Department during the month, dividing the resulting sum by 10, and rounding to the nearest one-tenth of a cent.

§ 913.83 *Producers' settlement fund.* The market administrator shall establish and maintain a separate fund known as the "producers' settlement fund" into which he shall deposit all payments made by handlers pursuant to §§ 913.84, 913.61, 913.62, 913.63 and 913.86 and out of which he shall make all payments to handlers pursuant to §§ 913.85 and 913.86.

§ 913.84 *Payments to the producers' settlement fund.* On or before the 12th day after the end of each delivery period, each handler, including a cooperative association which is a handler, shall pay to the market administrator the amount, if any, by which the value of the milk received by such handler from producers as determined pursuant to § 913.70 is greater than the amount required to be paid producers by such handler pursuant to § 913.80 (a).

§ 913.85 *Payments out of the producers' settlement fund.* On or before the 12th day after the end of each delivery period during which the milk was received, the market administrator shall pay to each handler, including a cooperative association which is a handler, the amount, if any, by which the value of the milk received by such handler from producers during the delivery period as determined pursuant to § 913.70 is less than the amount required to be paid producers by such handler pursuant to § 913.80 (a), less any unpaid obligation of the handler: *Provided*, That if the balance in the producers' settlement fund is insufficient to make all payments pursuant to this paragraph, the market administrator shall reduce uniformly such payment and shall complete such payments as soon as the necessary funds are available. No handler who has not received the balance of such payment from the market administrator shall be considered in violation of § 913.80 (a) if he reduces his payment to producers by not more than the amount of the reduction in payment from the producers' settlement fund. The handler shall complete such payment to producers not later than the date for making such payment next following after the receipt of the balance from the market administrator. Nothing in this paragraph shall abrogate the right of a cooperative association to make payment to its member producers in accordance with the payment plan of such cooperative association.

§ 913.86 *Fall incentive payment.* On or before the 15th day after the end of each of the delivery periods of October, November, and December, the market administrator shall pay out of the producer settlement fund to each producer an amount computed as follows: divide one-third of the total amount held pursuant to § 913.71 (d) by the hundredweight of producer milk received during the delivery period involved (October, November, or December, as above) and apply the resulting amount per hundredweight to the milk of each producer for such delivery period: *Provided*, That payment under this paragraph due any producer who has given authority to a cooperative association which is qualified pursuant to § 913.89 (b) to receive payments for his milk shall be distributed to such cooperative association if the cooperative association requests receipt of such payment.

§ 913.87 *Adjustment of errors in payments.* Whenever verification by the market administrator of reports or payments of any handler discloses errors made in payments to the producer settlement fund pursuant to § 913.84 of this section, the market administrator shall promptly bill such handler for any unpaid amount and such handler shall, within 5 days of such billings, make payment to the market administrator of the amount so billed. Whenever verification discloses that payment is due from the market administrator to any handler pursuant to § 913.85 of this section, the market administrator shall, within 5 days, make such payment to such handler or offset any such payment due any handler against payments due from such handler. Whenever verification by the market administrator of the payment by a handler to any producer, for milk purchased or received by such handler, discloses payment to such producer of less than is required by this section, the handler shall make up such payment to the producer not later than the time of making payments to producers next following such disclosure.

§ 913.88 *Statements to producers.* In making payments to producers as prescribed in § 913.80, each handler shall furnish each producer with a supporting statement, in such form that it may be retained by the producer, which shall show:

(a) The delivery period and the identity of the handler and of the producer;

(b) The pounds per shipment, the total pounds, and the average butterfat test of milk delivered by the producer;

(c) The minimum rate or rates at which payment to the producer is required under the provisions of §§ 913.80, 913.82;

(d) The rate which is used in making the payment, if such rate is other than the applicable minimum rate;

(e) The amount or the rate per hundredweight of each deduction claimed by the handler, including any deduction claimed under § 913.89 together with a description of the respective deductions; and

(f) The net amount of payment to the producer.

§ 913.89 *Marketing service*—(a) *Deduction for marketing services.* Except as set forth in paragraph (b) of this section, each handler shall deduct 3 cents per hundredweight from the payments made to each producer other than himself pursuant to § 913.80 (a), with respect to all milk of each producer purchased or received by such handler during the delivery period, and shall pay such deductions to the market administrator on or before the 12th day after the end of such delivery period. Such moneys shall be expended by the market administrator for market information to, and for the verification of weights, sampling, and testing of milk received from, said producers.

(b) *Producers' cooperative association.* In the case of producers for whom a cooperative association, which the Secretary determines to be qualified under the provisions of the act of Congress of February 18, 1922, as amended, known as the "Capper-Volstead Act", and pursuant to the provisions of § 913.5, is actually performing the services set forth in paragraph (a) of this section, each handler shall make the deductions from the payments to be made pursuant to § 913.80 (a), which are authorized by such producers, and, on or before the 12th day after the end of each delivery

period, pay over such deductions to the associations of which such producers are members.

§ 913.90 *Expense of administration*—(a) *Payments by handlers.* As his prorata share of the expense of the administration hereof, each handler who purchased or received milk from producers, with respect to all milk received from producers during the delivery period, shall pay to the market administrator, on or before the 12th day after the end of such delivery period, an amount not exceeding 2 cents per hundredweight, which amount shall be determined by the market administrator, subject to review by the Secretary.

(b) *Suits by the market administrator.* The market administrator may maintain a suit in his own name against any handler for the collection of such handler's pro rata share of expenses set forth in this section.

§ 913.91 *Termination of obligation.* The provisions of this section shall apply to any obligation under this order for the payment of money.

(a) The obligation of any handler to pay money required to be paid under the terms of this order shall, except as provided in paragraphs (b) and (c) of this section, terminate two years after the last day of the calendar month during which the market administrator receives the handler's utilization report on the milk involved in such obligation, unless within such two-year period the market administrator notifies the handler in writing that such money is due and payable. Service of such notice shall be complete upon mailing to the handler's last known address, and it shall contain but need not be limited to, the following information:

(1) The amount of the obligation;

(2) The month(s) during which the milk, with respect to which the obligation exists, was received or handled; and

(3) If the obligation is payable to one or more producers or to an association of producers, the name of such producer(s) or association of producers, or if the obligation is payable to the market administrator, the account for which it is to be paid.

(b) If a handler fails or refuses, with respect to any obligation under this order, to make available to the market administrator or his representative all books and records required by this order to be made available, the market administrator may, within the two-year period provided for in paragraph (a) of this section, notify the handler in writing of such failure or refusal. If the market administrator so notifies a handler, the said two-year period with respect to such obligation shall not begin to run until the first day of the calendar month following the month during which all such books and records pertaining to such obligation are made available to the market administrator or his representatives.

(c) Notwithstanding the provisions of paragraphs (a) and (b) of this section, a handler's obligation under this order to pay money shall not be terminated with respect to any transaction involving fraud or willful concealment of a fact, material to the obligation, on the part of the handler against whom the obligation is sought to be imposed.

(d) Any obligation on the part of the market administrator to pay a handler any money which such handler claims to be due him under the terms of this order shall terminate two years after the end of the calendar month during which the milk involved in the claim was received if an underpayment is claimed, or two years after the end of the calendar month during which the payment (including deduction or set-off by the market administrator) was made by the handler if a refund on such payment is claimed, unless such handler, within the applicable period of time, files, pursuant to section 8 (c) (15) (A) of the act, a petition claiming such money.

EFFECTIVE TIME, SUSPENSION OR TERMINATION

§ 913.100 *Effective time.* The provisions hereof or any amendment hereto shall become effective at such time as the Secretary may declare and shall continue in force until suspended or terminated pursuant to § 913.101.

§ 913.101 *Suspension or termination.* The Secretary may suspend or terminate this order or any provision hereof whenever he finds this order or any provision hereof obstructs or does not tend to effectuate the declared policy of the act. This order shall terminate in any event whenever the provisions of the act authorizing it cease to be in effect.

§ 912.102 *Continuing obligations.* If, upon the suspension or termination of any or all provisions of this order, there are any obligations hereunder the final accrual or ascertainment of which requires further acts by any person (including the market administrator), such further acts shall be performed notwithstanding such suspension or termination.

§ 913.103 *Liquidation.* Upon the suspension or termination of the provisions hereof, except this section, the market administrator, or such other liquidating agent as the Secretary may designate, shall, if so directed by the Secretary, liquidate the business of the market administrator's office, dispose of all property in his possession or control, including accounts receivable, and execute and deliver all assignments or other instruments necessary or appropriate to effectuate any such disposition. If a liquidating agent is so designated, all assets, books and records of the market administrator shall be transferred promptly to such liquidating agent. If, upon such liquidation, the funds on hand exceed the amounts required to pay outstanding obligations of the office of the market administrator and to pay necessary expenses of liquidation and distribution, such excess shall be distributed to contributing handlers and producers in an equitable manner.

MISCELLANEOUS PROVISIONS

§ 913.110 *Agents.* The Secretary may, by designation in writing, name any officer or employee of the United States to act as his agent or representative in connection with any of the provisions hereof.

§ 913.111 *Separability of provisions.* If any provision hereof, or its application to any person or circumstances, is held invalid, the application of such provision and of the remaining provisions hereof, to other persons or circumstances shall not be affected thereby.

Amendments proposed by Country Club Dairy, Inc., Chapman Dairy Company, Borden's Milk and Ice Cream Company, Aines Farm Dairy Company, and Meyer Sanitary Milk Company:

2. Section 913.4 (b) (2) shall be amended by deleting therefrom the words "aerated cream"; and § 913.4 (b) (3) shall be amended by adding after the words "ice cream" the words "aerated cream".

3. Section 913.4 (c) (4) and (5) shall be deleted and in lieu thereof the following shall be substituted:

(4) *Interhandler and nonhandler sales.* Milk disposed of by a handler to another handler shall be classified as Class I milk, and cream so disposed of shall be classified as Class II milk: *Provided,* That if the selling handler and the purchaser, on or before the 5th day after the end of the delivery period, each furnish to the market administrator similar signed statements that such milk or cream was actually disposed of in Class III, such milk or cream shall be classified accordingly, subject to verification by the market administrator.

4. Section 913.4 (e) shall be deleted and in lieu therefor the following inserted:

(e) *The allocation of other source milk.* Other source milk purchased or received at an approved plant of a handler who purchases or receives milk from producers shall be allocated to the respective classes of utilization in the same proportion as utilization of producer milk.

5. Section 913.5 (a) paragraph (1) and (2) shall be deleted and in lieu thereof the following shall be substituted:

(1) *Class I milk.* The price per hundredweight of Class I milk shall be the price determined pursuant to paragraph (b) of this section plus 75 cents during the months of March, April, May, June, July and August, and plus 95 cents during the remaining months.

(2) *Class II milk.* The price per hundredweight of Class II milk shall be the price determined pursuant to paragraph (b) of this section plus 50 cents during the months of March, April, May, June, July and August, and plus 70 cents during the remaining months.

6. Delete § 913.7 (b) (3) and substitute in lieu thereof the following:

(3) For each of the delivery periods of May, June and July subtract an amount equal to 20 cents per hundredweight from the total amount of milk received by handlers from producers and included in these computations, to be retained in the producer settlement fund for the purpose specified in the next paragraph.

(4) For each of the delivery periods of October, November and December, add an amount equal to ⅓ of the total amount held pursuant to the preceding paragraph.

Renumber remaining paragraphs of section.

Delete § 913.8 (h) (2).

7. Section 913.8 (a) shall be deleted and in lieu thereof the following shall be substituted:

(a) *Time and method of payment.* On or before the 12th day after the end of each delivery period, or the third full day (exclusive of Saturdays, Sundays and holidays) after receipt of the blend price from the market administrator, whichever is later, each handler after deducting the amount of the payment made pursuant to paragraph (b) of this section and subject to the differential set forth in paragraphs (c) and (d) respectively of this section, shall make payment to producers at the uniform price per hundredweight computed pursuant to § 913.7 (b) for the total quantity of milk received from producers.

8. Delete §§ 913.5 (d), 913.7 (a) (3), 913.7 (b) (2). Delete § 913.8 (d) and in lieu thereof substitute the following:

(d) For milk received from producers at approved plants located outside the marketing area but more than 30 miles by the shortest highway distance from the approved plant located within the marketing area to which the milk is transferred, each handler in making payments pursuant to paragraph (a) of this section shall deduct and retain, with respect to all milk received from such producers, the amount per hundredweight specified for the distance of such plant located outside the marketing area from such plant located within the marketing area, as follows: from 30 to 45 miles, 11½ cents per hundredweight; 45 to 55 miles, 13 cents per hundredweight; 55 to 65 miles, 14½ cents per hundredweight; 65 to 75 miles, 16 cents per hundredweight and for each additional 10 miles or fraction thereof beyond 75 miles an additional one-half cent per hundredweight.

Amendment proposed by Bates County Milk Producers Association:

9. Amend § 913.8 (d) to read as follows:

(d) *Location differential.* For milk received from producers at approved plants located outside the marketing area, but more than 30 miles by the shortest highway distance from the approved plant located within the marketing area to which such milk is transferred, each handler in making payments pursuant to paragraph (a) of this section shall deduct, with respect to all milk received from such producers, the amount per hundredweight specified for the distance to such plant located outside the marketing area from such plant located within the marketing area, as follows: not more than 45 miles, 11½ cents per hundredweight; for each additional 10 miles or fraction thereof up to 75 miles, an additional 1½ cents per hundredweight; and for each additional 10 miles or fraction thereof beyond 75 miles, an additional one-half cent per hundredweight.

Amendment proposed by the Dairy Branch, Production and Marketing Administration:

10. In § 913.9 (a) delete the numeral "3" and substitute therefor the numeral "5".

Copies of this notice of hearing, the said order, as amended, and the said tentative marketing agreement may be procured from the Market Administrator, 3808 Broadway, Kansas City 2, Missouri, or from the Hearing Clerk, United States Department of Agriculture, Room 1353, South Building, Washington 25, D. C., or may be there inspected.

Dated: May 11, 1950.

[SEAL] JOHN I. THOMPSON,
Assistant Administrator.

[F. R. Doc. 50-4169; Filed, May 15, 1950; 8:52 a. m.]

[7 CFR, Part 981]

IRISH POTATOES GROWN IN SOUTHEASTERN STATES PRODUCTION AREA

NOTICE OF PROPOSED BUDGET AND RATE OF ASSESSMENT

Notice is hereby given that the Secretary of Agriculture is considering the approval of the budget of expenses and rate of assessment hereinafter set forth, which were recommended by the Southeastern Potato Committee, established pursuant to Marketing Agreement No. 104 and Order No. 81 (13 F. R. 2709) regulating the handling of Irish potatoes grown in the Southeastern States production area, effective under the Agricultural Marketing Agreement Act of 1937, as amended (7 U. S. C. 601 et seq.; 61 Stat. 202, 707; 62 Stat. 1247; 63 Stat. 1051).

Consideration will be given to any data, views, or arguments, pertaining thereto which are filed in triplicate with the Director, Fruit and Vegetable Branch, Production and Marketing Administration, United States Department of Agriculture, Washington 25, D. C., not later than 15 days following publication of this notice in the FEDERAL REGISTER. The proposals are as follows:

§ 981.203 *Budget of expenses and rate of assessments.* (a) The expenses necessary to be incurred by the Southeastern Potato Committee, established pursuant to Marketing Agreement No. 104 and Order No. 81, to enable such committee to carry out its functions, pursuant to provisions of the aforesaid marketing agreement and order, during the fiscal year ending October 31, 1950, will amount to $47,250.00.

(b) The rate of assessment to be paid by each handler who first ships potatoes shall be three-fourths of one cent for each hundredweight of potatoes handled by him as the first handler thereof during said fiscal year; and

(c) Terms used herein shall have the same meaning as when used in Marketing Agreement No. 104 and Order No. 81.

(7 U. S. C. 601 et seq.; 61 Stat. 202, 707; 62 Stat. 1247; 63 Stat. 1051)

Done at Washington, D. C., this 10th day of May 1950.

[SEAL] S. R. SMITH,
Director, Fruit and Vegetable Branch, Production and Marketing Administration.

[F. R. Doc. 50-4150; Filed, May 15, 1950; 8:49 a. m.]

FEDERAL COMMUNICATIONS COMMISSION

[47 CFR, Part 3]

[Docket Nos. 8736, 8975, 8976, 9175]

TELEVISION BROADCAST SERVICE

NOTICE CONCERNING PROPOSED FINDINGS AND CONCLUSIONS

In the matters of amendment of § 3.606 of the Commission's rules and regulations, Docket Nos. 8736 and 8975; amendment of the Commission's rules, regulations and Engineering Standards Concerning the Television Broadcast Service, Docket No. 9175; utilization of frequencies in the Band 470 to 890 Mcs. for Television Broadcasting, Docket No. 8976.

1. In considering the lengthy record that has been made on the color issues in these proceedings, the Commission believes that it would be of great assistance if it had the benefit of proposed findings and conclusions of the parties to the hearing relating to the color television issues. Accordingly, within 20 days from the date when the record of the above hearing relating to the color television issues is completed, parties to said proceeding shall file proposed findings and conclusions as follows:

(a) Proponents of color television systems (RCA, CBS and CTI) shall file proposed findings and proposed conclusions with respect to their own proposed color television system, including all of the subjects listed in Appendix A hereto, and such other matters as they may deem appropriate. In the event a proponent files any proposed findings or conclusions with respect to the color television system proposed by another party, it shall submit complete proposed findings as to that other system with respect to all of the subjects listed in Appendix A.

(b) Other parties may file proposed findings and conclusions with respect to any or all of the proposed color television systems, provided that no such proposed findings and conclusions will be considered by the Commission unless it contains complete proposed findings and conclusions with respect to all of the subjects listed in Appendix A as to each color television system concerning which any proposed findings or conclusions are filed by such party.

2. Proposed findings and conclusions shall be numbered serially and shall contain appropriate supporting citations to the transcript page, or the exhibit number and page of the record relied on. Each proposed findings and conclusions shall be accompanied by proof of service thereof on all the other parties participating in the above hearing relating to the color television issues.

3. Within 10 days after proposed findings and conclusions have been filed by a party to the above hearing, the other parties to said hearing may file statements in reply to said proposed findings and conclusions. Each such reply shall contain appropriate supporting citations to the transcript page, or the exhibit number and page of the record relied on, and shall be accompanied by proof of service thereof on each party who filed proposed findings and conclusions.

4. An original and 19 copies of all proposed findings and conclusions and replies shall be furnished to the Commission.

Adopted: May 10, 1950.

Released: May 10, 1950.

FEDERAL COMMUNICATIONS COMMISSION,
[SEAL] T. J. SLOWIE,
Secretary.

APPENDIX A

PROPOSED FINDINGS OF FACT

1. *Description of system.* A brief description of the technical operation and characteristics of the system.

2. *System and apparatus capabilities and performance; present.* A description of the present development of the system and of the various types of transmitting and receiving apparatus employed in the system for color and monochrome transmission and reception. Such statement should include specific reference to the following factors in connection with each type of apparatus:

(a) Color reception:
(1) Over-all picture quality.
(2) Brightness.
(3) Color breakup and fringing.
(4) Color fidelity and color contamination.
(5) Contrast.
(6) Picture texture.
(7) Flicker, dot crawl, line crawl, etc.
(8) Picture size limitations.
(9) Viewing distance and angle.
(10) Registration.
(11) Resolution—horizontal.
(12) Resolution—vertical.
(13) Transmitting apparatus, including description, availability (dates and quantities), cost, original and maintenance, etc.
(14) Receiving apparatus, including description, availability (date and quantities), cost (original and maintenance), etc.
(15) Network transmission, including capability for transmission over existing and proposed network facilities.
(16) Convertibility of existing television receivers to receive color transmissions in color, including description of converters, availability (dates and quantities), cost (original and maintenance), etc. Include a statement as to whether existing television receivers designed to receive television programs in accordance with present transmission standards will be able to receive television programs transmitted in accordance with the proposed new color standards simply by making relatively minor modifications in such existing receivers.

(b) Monochrome reception:
(1) Over-all picture quality.
(2) Brightness.
(3) Contrast.
(4) Color contamination.
(5) Picture texture.
(6) Flicker, dot crawl, line crawl, etc.
(7) Picture size limitations.
(8) Viewing distance and angle.
(9) Registration.
(10) Resolution—horizontal.
(11) Resolution—vertical.
(12) Transmitting apparatus, including description, availability (dates and quantities), cost, original and maintenance etc.
(13) Receiving apparatus, including description, availability (dates and quantities), cost (original and maintenance), etc.
(14) Network transmission, including capability for transmission over existing and proposed network facilities.
(15) Ability or adaptability of existing television receivers to receive color transmissions in monochrome, including description of adapters, availability (dates and quantities), cost (original and maintenance), etc. Include a statement as to whether existing television receivers designed to receive television programs in accordance with present transmission standards will be able to receive television programs transmitted in accordance with the proposed new color standards simply by making relatively minor modifications in such existing receivers.

3. *System and apparatus capabilities and performance; prospective.* A description of system and apparatus developments actually disclosed in the record, showing their status of development, plans for future developments, estimates of dates available, and effect upon the factors listed under paragraph 2 (a) and (b), *supra.*

4. *Interference.* A statement of the precise data available concerning the susceptibility of the system and various types of apparatus to interference and similar effects, and a statement of how such interference may be minimized, with respect to the following:
(a) Co-channel interference.
(b) Adjacent-channel interference.
(c) Oscillator radiation interference or other in-channel interference such as diathermy harmonics and other station harmonics, including interference to any subcarrier employed in the system.
(d) Image interference.
(e) Noise.
(f) Ghosts.
(g) Ignition interference.

5. *Field tests and public reaction tests.* A summary of all field tests and public reaction tests conducted concerning the system and each type of apparatus, specifying the purpose and results of said tests. A statement of the adequacy and weight to be given to the field tests and public reaction tests conducted for the purpose of adoption by the Commission of transmission standards concerning the system.

6. *Plans.* A statement of the plans to be put into effect in the event the system is adopted by the Commission as the basis for transmission standards (a) on an exclusive basis, and (b) as one of two or more systems. Include plans as to the manufacture of transmitting and receiving apparatus, and as to the broadcast and networking of color programs.

PROPOSED CONCLUSIONS

7. A precise statement of the specific transmission standards proposed.

8. A precise statement of the specific rules and regulations proposed.

9. A statement of recommendations as to policies with respect to the following:
(a) Compatibility.
(b) Convertibility.
(c) Patents.
(d) The desirability or undesirability of promulgating color television standards at the present time in the light of the development of the art. Include a statement as to the social value and economic cost to the American public of adoption of any specific system at this time or at a later time.
(e) The minimum and maximum number of hours of color broadcasting.
(f) The handling of the transition from the present situation in television broadcasting to color television broadcasting.

10. A statement of any other proposals or recommendations.

[F. R. Doc. 50-4156; Filed, May 15, 1950; 8:49 a. m.]

NOTICES

FEDERAL POWER COMMISSION

[Docket No. G-1012]

TEXAS EASTERN TRANSMISSION CORP.

NOTICE OF AMENDMENT TO APPLICATION

MAY 9, 1950.

Take notice that Texas Eastern Transmission Corporation (Applicant) a Delaware corporation, with office at Shreveport, Louisiana, filed on May 5, 1950, a second amendment to its application filed March 10, 1948, and to its first amendment filed on November 14, 1949, asking for a certificate of public convenience and necessity pursuant to section 7 of the Natural Gas Act, as amended, authorizing the construction and operation of approximately 791 miles of 30-inch natural gas transmission pipeline, together with compressor stations aggregating 46,400 hp., extending from a point near Kosciusko, Mississippi, to Applicant's present Station No. 21 near Connellsville, Pennsylvania, and to construct approximately 13.7 miles of 16-inch, 12¾-inch and 10¾-inch pipeline in the Metropolitan New York area to new points of deliveries of natural gas to Public Service Electric and Gas Co., of New Jersey. Applicant states that the proposed 30-inch line will have a delivery capacity up to 400,000 Mcf. per day at an operating pressure of 935 p. s. i. g. Applicant also proposes to construct additional compressor stations on its existing system at and west of Station No. 21 aggregating 52,500 hp. for operations at 750 p. s. i. g.

Applicant states that it proposes to sell and deliver natural gas through the described facilities for all of the requirements of Algonquin Gas Company which intends to provide natural gas service to the New England area. In addition, Applicant proposes to sell additional quantities of gas to its present customers. Applicant also intends to file an application to acquire storage areas for summer-time storage of gas to permit Applicant to operate at approximately 97½% load factor on the system south and west of the pipeline which will be proposed to be constructed and operated to the storage areas. The facilities proposed in this docket and the storage facilities, intended to be described in another application, will add approxi-

mately 476,000 Mcf. to the daily sales capacity of Applicant's system.

Applicant states that it has entered into an agreement with United Gas Pipe Line Company (United) for deliveries of 134,000,000 Mcf. of natural gas per year on a 95 percent load factor basis. Deliveries will be made by United near Kosciusko, Mississippi at a price equivalent to 17.5¢ per Mcf.

The total estimated overall capital cost of all pipeline, compressor, and storage facilities (the latter to be proposed in a subsequent application), including working capital and cost of financing, is $117,806,400 which is proposed to be financed by proceeds received from sale of first mortgage bonds and such other securities as may be advantageously sold.

Protests or petitions to intervene may be filed with the Federal Power Commission, Washington 25, D. C. in accordance with the rules of practice and procedure (18 CFR 1.8 or 1.10) on or before the 26th day of May 1950. The application is on file with the Commission for public inspection.

[SEAL] LEON M. FUQUAY, *Secretary.*

[F. R. Doc. 50-4138; Filed, May 15, 1950; 8:45 a. m.]

[Docket No. G-1385]

TEXAS EASTERN TRANSMISSION CORP.

NOTICE OF APPLICATION

MAY 10, 1950.

Take notice that on April 28, 1950, Texas Eastern Transmission Corporation (Applicant), a Delaware corporation with its principal place of business in Shreveport, Louisiana, filed an application for a certificate of public convenience and necessity pursuant to section 7 of the Natural Gas Act, as amended, authorizing Applicant to operate interconnecting facilities and measuring equipment at a point near Castor, Louisiana, where Applicant's 20-inch transmission pipe line crosses United Gas Pipe Line Company's (United) 24-inch Carthage-Sterlington pipe line, in accordance with their exchange agreement of April 24, 1950.

Applicant states that to alleviate a temporary emergency situation on its system a measuring station and appurtenant interconnecting facilities were installed on its system at a point on its 20-inch line near Castor, Louisiana, to permit deliveries from gas fields on its 20-inch line to United under a temporary exchange agreement dated February 28, 1950, and expiring April 15, 1950, which emergency situation has been resolved; that a permanent certificate is now being sought for the maintenance and operation of such facilities for the purpose of a natural gas interchange operation with United by means of which natural gas would be simultaneously delivered by Applicant to United at Castor, Louisiana, and by United to Applicant at Longview, Texas, in accordance with a request of one to the other under the terms of their exchange agreement of April 24, 1950.

Applicant further states the proposed operation will not change the total volumes Applicant has been authorized to deliver to its customers, except to the extent Applicant may through natural gas obtained from United under the Exchange Contract, be able under § 157.14 of the Commission's rules and regulations to make temporary deliveries to one or more of its customers in excess of firm deliveries then authorized.

The estimated over-all capital cost of the facilities is approximately $12,692.

Protests or petitions to intervene may be filed with the Federal Power Commission, Washington 25, D. C., in accordance with the rules of practice and procedure (18 CFR 1.8 or 1.10) on or before the 29th day of May 1950. The application is on file with the Commission for public inspection.

[SEAL] LEON M. FUQUAY, *Secretary.*

[F. R. Doc. 50-4139; Filed, May 15, 1950; 8:45 a. m.]

DEPARTMENT OF AGRICULTURE

Commodity Credit Corporation

SALES OF CERTAIN COMMODITIES AT FIXED PRICES

Pursuant to the Pricing Policy of Commodity Credit Corporation issued March 22, 1950 (15 F. R. 1583), and subject to the conditions stated therein, the following commodities are available for sale in the quantities and at the prices stated:

MAY DOMESTIC PRICE LIST

Commodity (1)	Quantities available (subject to prior sale) (2)	Domestic sales price (3)
Nonfat dry milk solids, in carload lots only:		
Spray process	130,000,000 pounds [1]	13¢ per lb. f. o. b. location of stock in any State.
Roller process	90,000,000 pounds [1]	11¢ per lb. f. o. b. location of stock in any State.
American cheese (Cheddar and twin styles, domestic pack, standard moisture basis), in carload lots only.	20,000,000 pounds	U. S. Grade A and higher: All States except those listed below: 33¢ per lb. f. o. b. location of stock. New England States, New York, New Jersey, Pennsylvania, other States bordering the Atlantic Ocean and Gulf of Mexico, and California, Oregon, and Washington: 34¢ per lb. f. o. b. location of stock. U. S. Grade B: 1¢ per lb. less than Grade A prices. U. S. Grade C: 2¢ per lb. less than Grade A prices. All prices are subject to usual adjustment for moisture content.
Salted creamery butter in carload lots only.	75,000,000 pounds	U. S. Grade A and higher: All States except those listed below: 63¢ per lb. f. o. b. location of stock. New England States, New York, New Jersey, Pennsylvania, other States bordering the Atlantic Ocean and Gulf of Mexico: 64¢ per lb. f. o. b. location of stock. California, Oregon, and Washington: 64½¢ per lb. f. o. b. location of stock.
	30,000,000 pounds	U. S. Grade B: 2¢ per lb. less than Grade A prices. U. S. Grade C: 5¢ per lb. less than Grade A prices.
Farmers' stock peanuts for edible purposes: Spanish type, west of Mississippi River.	1,000 tons [1]	$3.29 for each 1 percent "sound mature kernels" contained in a net weight ton, f. o. b. location of stock, west of Mississippi River. Subject to premiums or discounts for qualities.
Cottonseed oil, refined. Basis, bleachable, prime summer yellow, in tankcar lots only.	10,775,000 pounds [1] 1,500,000 pounds [1]	Texas: 15½¢ per lb. basis f. o. b. tankcars at storage locations in Texas. California: 15½¢ per lb. f. o. b. tankcars at storage locations in California.
Linseed oil, raw	450,000,000 pounds [1]	F. o. b. tankcars at storage locations, as follows: 17.7¢ per lb. Minneapolis and Chicago; 18.0¢ per lb. Buffalo, San Francisco, and Los Angeles; 18.3¢ per lb. New York, Philadelphia, Baltimore, and Portland, Oreg.; 18.4¢ per lb. Houston, Tex., Kenedy, Tex., and Good Hope, La.
Flaxseed, bulk	13,000,000 bushels [1]	No. 1, $4.29 per net bu., bulk, in store Minneapolis. For other markets, and other grades, adjust by market differentials.
Dry edible beans:		For No. 1 Grade, 1948 crop, basis in store at locations below:
Pinto, bagged	770,000 bags [1]	$8.10 per 100 lb., Denver rate area.
Pea, bagged	660,000 bags [1]	$7.85 per 100 lb., Michigan and New York areas; $7.35 per 100 lb., Spokane area.
Red Kidney, bagged	696,000 bags [1]	$9.30 per 100 lb., New York and California areas.
Great Northern, bagged	1,483,000 bags [1]	$7.15 per 100 lb., Twin Falls, Idaho; $7.55 per 100 lb., Morrill, Nebr.
Small White, bagged	246,000 bags [1]	$7.90 per 100 lb., San Francisco area.
Baby Lima, bagged	383,000 bags [1]	$7.95 per 100 lb., San Francisco area.
Pink, bagged	162,000 bags [1]	$8.00 per 100 lb., San Francisco area; for other grades, adjust by market differentials. Above prices are at point of production; transit value of any paid-in freight to be added.
Dry edible peas, bagged	684,000 cwt. [1]	No. 1 Grade, 1949 crop, $4.28 per 100 lb. basis in store Spokane area.
Austrian winter pea seed, bagged.	56,196 cwt.	$5.00 per 100 lb. f. o. b. point of origin. Price is at point of production; transit value of any paid-in freight to be added.
Wheat, bulk	100,000,000 bushels [1]	No. 1 DNS, $2.50 per bu. in store Minneapolis; No. 1, H. W. $2.49 per bu. in store Kansas City; for other markets, other classes, and other grades, adjust by market differentials, except that resulting price may not be less than the applicable 1949 loan rate at point of sale plus 28¢ per bu.; at points of production, applicable 1949 county loan rate plus 28¢ per bu.; all prices subject to market premiums for protein and other qualities.
Oats, bulk	10,000,000 bushels [1]	No. 2 White, 90¢ per bu. in store Minneapolis; No. 2 White, 95¢ per bu. in store, Chicago; for other markets, other classes, and other grades, adjust by market differentials, except that resulting price may not be less than the applicable 1949 loan rate at point of sale plus 12¢ per bu.; at points of production, applicable 1949 county loan rate plus 15¢ per bu; all prices subject to market premiums for qualities.

[1] These same lots also are available at export sales prices announced May 1, 1950.

MAY DOMESTIC PRICE LIST—Continued

Commodity (1)	Quantities available (subject to prior sale) (2)	Domestic sales price (3)
Barley, bulk	23,000,000 bushels [1]	No. 3, $1.50 per bu. in store Minneapolis; No. 3, $1.57 per bu. in store San Francisco; for other markets, other classes, and other grades, adjust by market differentials, except that resulting price may not be less than the applicable 1949 loan rate at point of sale plus 2¢ per bu. At points of production, applicable 1949 county loan rate plus 2¢ per bu. All prices subject to market premiums for qualities.
Rice, rough bulk	1,000,000 hundredweight.	For all classes and grades, applicable loan rate, plus 5 per cent of such rate, plus 20 cents per cwt. handling charge. Above computed prices are at points of production. At other locations, transit value of any paid-in freight to be added.
Corn, bulk	100,000,000 bushels [1]	No. 2, Yellow, $1.74 per bu. in store Chicago; No. 2, Yellow, $1.69 per bu. in store Kansas City. For other markets, other classes, and other grades, adjust by market differentials, except that resulting price may not be less than the applicable 1949 loan rate at point of sale plus 20¢ per bu. At points of production, applicable 1949 county loan rate plus 20¢ per bu. All prices subject to market premiums for qualities.
Grain sorghums, bulk	20,000,000 cwt.[2]	No. 2, $2.76 per 100 lb. in store Kansas City. For other markets, other classes, and other grades, adjust by market differentials, except that resulting price may not be less than the applicable 1949 loan rate at point of sale plus 24¢ per hundred lbs. At points of production, applicable 1949 county loan rate plus 24¢ per hundred lbs.
Potato starch, in carload lots only:		
Pearl type, packed in 200 lb. burlap bags with paper innerliners.	600,000 pounds [1]	$4.50 per 100 pounds, basis f. o. b. Maine shipping points.
Powdered type, packed in 100-lb. and 200 lb. burlap bags with paper innerliners.	9,325,000 pounds [1]	
Gum rosin, in metal drums	245,000 drums [1]	$6.00 per 100 lbs., net grades N through G; $6.05 grade WG, and $6.25 grades X and WW, as is, on storage yards at locations in Georgia, Florida, and Alabama.

MAY EXPORT PRICE LIST

Mexican canned meat and gravy (24 and 48 cans of 20 ounces each per export case).	33,600,000 pounds	15¢ per net pound, f. a. s. vessel U. S. Gulf of Mexico ports.
Mexican canned beef and gravy (24 and 48 cans of 20 ounces each per export case).	34,000,000 pounds	20¢ per net pound, f. a. s. vessel U. S. Gulf of Mexico ports.
Dried whole eggs (packed in barrels, drums, and 14-lb. cartons), in carload lots only.	34,000,000 pounds	40¢ per lb., f. a. s. vessel at U. S. Gulf or East Coast ports; or, 40¢ per lb., f. o. b. cars or trucks at warehouse locations, less the net export freight rate to New York or New Orleans, whichever is lower; or, 1948 dried eggs, 30¢ per lb., f. o. b. cars or trucks at warehouse locations provided the egg powder is redried and repackaged by the buyer under the supervision and according to the requirements of USDA.
Nonfat dry milk solids, in carload lots only:		
Spray process	130,000,000 pounds [2]	12½¢ per lb., f. o. b. location of stock in any State.
Roller process	90,000,000 pounds [2]	10½¢ per lb., f. o. b. location of stock in any State.
No. 2 Shelled Peanuts, containing usual quantities of oil stock.	1,400,000 pounds [2]	10½¢ per lb., f. a. s. vessel U. S. Gulf ports.
Cottonseed oil, refined basis, bleachable, prime summer yellow, in tankcar lots only.	12,275,000 pounds [2]	Market price on date of sale, basis f. o. b. tankcars at storage locations.
Linseed oil, raw	456,000,000 pounds [2]	16.2¢ per lb. f. o. b. tankcars at storage locations (Minneapolis, Chicago, Buffalo, San Francisco, Los Angeles, New York, Philadelphia, Baltimore, Portland, Oreg., Houston, Tex., Kenedy, Tex., and Good Hope, La.)
Flaxseed, bulk	12,000,000 bushels [2]	No. 1, $4.00 per net bushel (56 lbs. pure flaxseed) bulk, in store New York. For other markets, and other grades, market differentials will apply.

[1] These same lots also are available at export sales prices announced May 1, 1950.
[2] These same lots also are available at domestic sales prices announced May 1, 1950.

MAY EXPORT PRICE LIST—Continued

Commodity (1)	Quantities available (subject to prior sale) (2)	Domestic sales price (3)
Dry edible beans:		For No. 1 Grade 1948 Crop, f. a. s. at locations below:
Pinto, bagged	770,000 bags [2]	$5.90 per 100 lb. San Francisco and Portland, Oreg.
		$6.00 per 100 lb., U. S. Gulf ports.
Pea, bagged	660,000 bags [2]	$5.50 per 100 lb., East Coast and North Pacific ports.
Red Kidney, bagged	696,000 bags [2]	$6.00 per 100 lb., New York; $5.90 San Francisco.
Great Northern, bagged	1,483,000 bags [2]	$5.00 per 100 lb., Portland, Oreg.; $5.10 U. S. Gulf ports.
Small White bagged	207,000 bags [2]	$5.75 per 100 lb., San Francisco.
Baby Lima, bagged	383,000 bags [2]	$5.50 per 100 lb., San Francisco.
Pink, bagged	162,000 bags [2]	$5.25 per 100 lb., San Francisco.
		Discounts for grade on all beans: No. 2, 25¢ less than No. 1; No. 3, 50¢ less than No. 1.
Dry edible peas, bagged	684,000 cwt.[2]	No. 1 Grade, 1949 Crop, $3.75 per 100 lb. f. a. s. Portland, Oreg.
Wheat	100,000,000 bushels [2]	Not less than market price on date of sale provided delivery takes place within 15 days unless otherwise agreed upon. Wheat may be used for milling export flour provided the entire quantity of flour produced therefrom is exported.
Oats, bulk	10,000,000 bushels [2]	Not less than market price on date of sale, provided delivery takes place within 15 days unless otherwise agreed upon.
Barley, bulk	23,000,000 bushels [2]	Not less than market price on date of sale, provided delivery takes place within 15 days unless otherwise agreed upon. Barley may be exported as malt, pound for pound.
Corn, bulk	100,000,000 bushels [2]	Not less than market price on date of sale, provided delivery takes place within 15 days unless otherwise agreed upon.
Grain sorghums, bulk	20,000,000 cwt.[2]	Not less than market price on date of sale, provided delivery takes place within 15 days unless otherwise agreed upon. Grain sorghums may be used for the manufacture of starch, provided the entire quantity of starch produced therefrom is exported.
Fresh Irish potatoes, packed in usual 100-lb burlap sacks, in carload lots only.	Substantial quantities as available, in Aroostock County, Maine.	U. S. No. 1 Grade when loaded at CCC's point of purchase: 1¢ per sack, f. o. b. cars at country shipping point, for export to areas other than U. S. possessions, Canada, Mexico, Cuba, or the Caribbean area. Communicate with the Director, PMA Commodity Office, 67 Broad St., New York, N. Y. Telephone DIgby 4-8200.
Potato starch, in carload lots only:		
Pearl type, packed in 200 lb. burlap bags with paper innerliners.	600,000 pounds [2]	$5.10 per 100 lb., f. a. s. vessel, Boston, Mass.
Powdered type, packed in 100 lb. and 200 lb. burlap bags with paper innerliners.	9,370,000 pounds [2]	
Gum Rosin, in metal drums	245,000 drums [2]	$6.00 per 100 pounds, net, grades N through G; $6.05 grade WG, and $6.25 grades X and WW, as is, on storage yards at locations in Georgia, Florida, and Alabama.

(Pub. Law 439, 81st Cong.)

Issued May 11, 1950.

[SEAL] RALPH S. TRIGG,
President,
Commodity Credit Corporation.

[F. R. Doc. 50-4165; Filed, May 15, 1950; 8:51 a. m.]

CIVIL AERONAUTICS BOARD

[Docket No. 4463]

AMERICAN FLYERS AIRLINE CORP. ET AL; INTERLOCKING RELATIONSHIP

NOTICE OF HEARING

In the matter of the application for approval of control by Reed Pigman of American Flyers Airline Corp., and American Flyers, Inc., and of interlocking relationships existing between the applicants.

Notice is hereby given, pursuant to the provisions of the Civil Aeronautics Act of 1938, as amended, that a hearing in the above-entitled proceeding is assigned to be held on May 22, 1950, at 9:30 a. m., e. d. s. t., in Room 5130 Commerce Building, Fourteenth Street and Constitution Avenue NW., Washington, D. C., before Examiner Barron Fredricks.

Dated at Washington, D. C., May 9, 1950.

By the Civil Aeronautics Board.

[SEAL] M. C. MULLIGAN,
Secretary.

[F. R. Doc. 50-4151; Filed, May 15, 1950; 8:49 a. m.]

INTERSTATE COMMERCE COMMISSION

[4th Sec. Application 25091]

SULPHURIC ACID FROM CALVERT, KY., TO NATCHEZ, MISS.

APPLICATION FOR RELIEF

MAY 11, 1950.

The Commission is in receipt of the above-entitled and numbered application for relief from the long-and-short-haul provision of section 4 (1) of the Interstate Commerce Act.

Filed by: R. E. Boyle, Jr., Agent, for and on behalf of the Illinois Central Railroad Company, Gulf, Mobile and Ohio Railroad Company and Mississippi Central Railroad Company.

Commodities involved: Sulphuric acid, tank carloads.

From: Calvert, Ky.

To: Natchez, Miss.

Grounds for relief: Circuitous routes.

Any interested person desiring the Commission to hold a hearing upon such application shall request the Commission in writing so to do within 15 days from the date of this notice. As provided by the general rules of practice of the Commission, Rule 73, persons other than applicants should fairly disclose their interest, and the position they intend to take at the hearing with respect to the application. Otherwise the Commission, in its discretion, may proceed to investigate and determine the matters involved in such application without further or formal hearing. If because of an emergency a grant of temporary relief is found to be necessary before the expiration of the 15-day period, a hearing, upon a request filed within that period, may be held subsequently.

By the Commission, Division 2.

[SEAL] W. P. BARTEL,
Secretary.

[F. R. Doc. 50-4145; Filed, May 15, 1950; 8:48 a. m.]

[4th Sec. Application 25092]

GRAVEL FROM LOUISIANA, MO., TO MURRAYVILLE, ILL.

APPLICATION FOR RELIEF

MAY 11, 1950.

The Commission is in receipt of the above-entitled and numbered application for relief from the long-and-short-haul provision of section 4 (1) of the Interstate Commerce Act.

Filed by: R. G. Raasch, Agent, for and on behalf of the Gulf, Mobile and Ohio Railroad Company.

Commodities involved: Gravel, carloads.

From: Louisiana, Mo.

To: Murrayville, Ill.

Grounds for relief: Competition with motor carriers and wayside pit competition.

Schedules filed containing proposed rates: GM&O., tariff I. C. C. No. 251, Supplement 62.

Any interested person desiring the Commission to hold a hearing upon such application shall request the Commission in writing so to do within 15 days from the date of this notice. As provided by the general rules of practice of the Commission, Rule 73, persons other than applicants should fairly disclose their interest, and the position they intend to take at the hearing with respect to the application. Otherwise the Commission, in its discretion, may proceed to investigate and determine the matters involved in such application without further or formal hearing. If because of an emergency a grant of temporary relief is found to be necessary before the expiration of the 15-day period, a hearing, upon a request filed within that period, may be held subsequently.

By the Commission, Division 2.

[SEAL] W. P. BARTEL,
Secretary.

[F. R. Doc. 50-4146; Filed, May 15, 1950; 8:48 a. m.]

[4th Sec. Application 25093]

CRUSHED STONE FROM LOUISIANA, MO., TO WHITEHALL, ILL.

APPLICATION FOR RELIEF

MAY 11, 1950.

The Commission is in receipt of the above-entitled and numbered application for relief from the long-and-short-haul provision of section 4 (1) of the Interstate Commerce Act.

Filed by: R. G. Raasch, Agent, for and on behalf of the Gulf, Mobile and Ohio Railroad Company.

Commodities involved: Crushed stone, carloads.

From: Louisiana, Mo.

To: Whitehall, Ill.

Grounds for relief: Competition with motor carriers and wayside pit competition.

Schedules filed containing proposed rates: GM&O., tariff I. C. C. No. 251, Supplement 62.

Any interested person desiring the Commission to hold a hearing upon such application shall request the Commission in writing so to do within 15 days from the date of this notice. As provided by the general rules of practice of the Commission, Rule 73, persons other than applicants should fairly disclose their interest, and the position they intend to take at the hearing with respect to the application. Otherwise the Commission, in its discretion, may proceed to investigate and determine the matters involved in such application without further or formal hearing. If because of an emergency a grant of temporary relief is found to be necessary before the expiration of the 15-day period, a hearing, upon a request filed within that period, may be held subsequently.

By the Commission, Division 2.

[SEAL] W. P. BARTEL,
Secretary.

[F. R. Doc. 50-4147; Filed, May 15, 1950; 8:48 a. m.]

[Application 25094]

PETROLEUM AND PETROLEUM PRODUCTS BETWEEN THE SOUTHWEST AND ADJACENT POINTS

APPLICATION FOR RELIEF

MAY 11, 1950.

The Commission is in receipt of the above-entitled and numbered application for relief from the long-and-short-haul provision of section 4 (1) of the Interstate Commerce Act.

Filed by: D. Q. Marsh, Agent, for and on behalf of carriers parties to the tariffs listed below.

Commodities involved: Petroleum and petroleum products, tank carloads.

From, to and between points in southwestern territory, southern Missouri, Kansas and adjacent points.

Grounds for relief: Competition with motor carriers.

Schedules filed containing proposed rates: D. Q. Marsh's tariffs I. C. C. Nos. 3585, 3821, 3642, 3793 and 3723, Supplements 405, 39, 49, 24 and 118, respectively and L. E. Kipp's tariff I. C. C. No. A-3578, Supplement 51.

Any interested person desiring the Commission to hold a hearing upon such application shall request the Commission in writing so to do within 15 days from the date of this notice. As provided by the general rules of practice of the Commission, Rule 73, persons other than applicants should fairly disclose their interest, and the position they intend to take at the hearing with respect to the application. Otherwise the Commission, in its discretion, may proceed to investigate and determine the matters involved in such application without further or formal hearing. If because of an emergency a grant of temporary relief is found to be necessary before the expiration of the 15-day period, a hearing, upon a request filed within that period, may be held subsequently.

By the Commission, Division 2.

[SEAL] W. P. BARTEL,
Secretary.

[F. R. Doc. 50-4148; Filed, May 15, 1950; 8:48 a. m.]

[4th Sec. Application 25095]

FUEL OIL FROM NEW ORLEANS-BATON ROUGE, LA., DISTRICT TO COOSA PINES, ALA.

APPLICATION FOR RELIEF

MAY 11, 1950.

The Commission is in receipt of the above-entitled and numbered application for relief from the long-and-short-haul provision of section 4 (1) of the Interstate Commerce Act.

Filed by: R. E. Boyle, Jr., Agent, for and on behalf of carriers parties to Agent C. A. Spaninger's tariff I. C. C. No. 1065.

Commodities involved: Petroleum distillate fuel oil, tank carloads.

From: Points in the New Orleans-Baton Rouge, La., district.

To: Coosa Pines, Ala.

Grounds for relief: Competition with motor carriers.

Schedules filed containing proposed rates: C. A. Spaninger's tariff I. C. C. No. 1065, Supplement 153.

Any interested person desiring the Commission to hold a hearing upon such application shall request the Commission in writing so to do within 15 days from the date of this notice. As provided by the general rules of practice of the Commission, Rule 73, persons other than applicants should fairly disclose their interest, and the position they intend to take at the hearing with respect to the application. Otherwise the Commission, in its discretion, may proceed to investigate and determine the matters involved in such application without further or formal hearing. If because of an emergency a grant of temporary relief is found to be necessary before the expiration of the 15-day period, a hearing, upon a request filed within that period, may be held subsequently.

By the Commission, Division 2.

[SEAL] W. P. BARTEL, *Secretary.*

[F. R. Doc. 50-4149; Filed, May 15, 1950; 8:48 a. m.]

SECURITIES AND EXCHANGE COMMISSION

[File No. 70-2369]

INTERSTATE POWER CO.

ORDER GRANTING AND PERMITTING AMENDED APPLICATION-DECLARATION TO BECOME EFFECTIVE AND RESERVING JURISDICTION OVER FEES AND EXPENSES

At a regular session of the Securities and Exchange Commission held at its office in the city of Washington, D. C., on the 9th day of May A. D. 1950.

Interstate Power Company ("Interstate"), a registered holding company, having filed an application-declaration, and amendments thereto, pursuant to the Public Utility Holding Company Act of 1935, particularly sections 6 (b), 7, 9 (a), 10 and 12 (c) thereof and Rules U-45 and U-50 promulgated thereunder, regarding the following transactions:

The issuance and sale by Interstate, pursuant to the competitive bidding requirements of Rule U-50, of $3,000,000 principal amount of First Mortgage Bonds, __ Percent Series, due 1980, and 275,000 shares of additional $3.50 par value Common Stock; the issuance and sale, pursuant to a negotiated transaction, of 100,000 shares of $50 par value Preferred Stock; a negotiated reduction in the interest rate on Interstate's presently outstanding 4¾ Percent Secured Debentures due 1968, redemption of Interstate's presently outstanding $5,000,000 principal amount of 4½ Percent First Mortgage Bonds due 1978 at its current redemption price of 105⅞ percent of principal amount; the payment and discharge of Interstate's presently outstanding $2,400,000 Principal amount of 3 Percent Collateral Promissory Notes, maturing June 30, 1950; and in the event the financing proposed herein is not consummated prior to June 26, 1950, that Interstate extend the maturity date of the presently outstanding Collateral Promissory Notes from June 30, 1950, to a subsequent date not later than June 30, 1951, or in the alternative, to issue and sell not more than $2,400,000 principal amount new Collateral Promissory Notes and apply the proceeds toward payment and discharge of the present notes;

A public hearing having been held after appropriate notice, and the Commission having examined the record and having made and filed its findings and opinion herein;

It is ordered, That the amended application-declaration be, and the same hereby is, granted and permitted to become effective forthwith, subject to the terms and conditions prescribed in Rule U-24 and to the following additional terms and conditions:

(1) That the proposed sale of $3,000,000 principal amount of First Mortgage Bonds, __ Percent Series, due 1980, and 275,000 shares of $3.50 par value Common Stock, by Interstate shall not be consummated until the results of competitive bidding, held with respect thereto, have been made a matter of record in this proceeding and a further order shall have been issued by this Commission on the basis of the record so completed, which order may contain further terms and conditions as may then be deemed appropriate.

(2) That, for the purposes of this case, the ten-day solicitation period required by Rule U-50 be shortened to a period of not less than 6 days;

(3) That the proposed sale of 100,000 shares of $50 par value Preferred Stock by Interstate shall not be consummated until the results of the negotiated transaction with respect thereto, have been made a matter of record in this proceeding and a further order shall have been issued by this Commission on the basis of the record so completed, which order may contain further terms and conditions as may then be deemed appropriate;

(4) That the proposed reduction in the interest rate on Interstate's Secured Debentures from 4¾ to 3¾ percent shall not be consummated until the results of the negotiations in respect thereof and all the terms of the transaction have been made a matter of record in this proceeding and a further order shall have been issued in this Commission on the basis of the record so completed;

(5) That jurisdiction be reserved with respect to the proposed extension of the maturity date of the presently outstanding Collateral Promissory Notes, in the event the financing transactions proposed herein are not consummated prior to June 26, 1950;

It is further ordered, That jurisdiction be, and hereby is, reserved with respect to the payment of all legal fees and expenses to be incurred in connection with the proposed transactions.

By the Commission.

[SEAL] ORVAL L. DUBOIS, *Secretary.*

[F. R. Doc. 50-4142; Filed, May 15, 1950; 8:48 a. m.]

[File No. 70-2374]

NEW ENGLAND GAS AND ELECTRIC ASSN.

ORDER PERMITTING DECLARATION TO BECOME EFFECTIVE

At a regular session of the Securities and Exchange Commission, held at its office in the city of Washington, D. C., on the 8th day of May 1950.

New England Gas and Electric Association ("NEGEA"), a registered holding company, having filed a declaration, with amendments thereto, regarding the issuance and sale at a price of $13.00 a share of approximately 173,126 additional shares of its common stock to its common stockholders pursuant to a preemptive rights offering; and having entered into an agreement with a dealer-manager group pursuant to which the managers will undertake to form and manage a group of security dealers, which shall include the managers, to solicit subscriptions to purchase the shares being offered, at a compensation to the dealers of 40 cents for each additional share purchased pursuant to an exercised warrant bearing a dealer's name and 10 cents a share to the managers in each such case; and

Public hearings having been held after appropriate notice and the Commission having considered the record and filed its memorandum opinion herein;

It is ordered, That said declaration, as amended, be, and the same hereby is, permitted to become effective forthwith, subject to the terms and conditions provided in Rule U-24 of the rules and regulations promulgated under the act and the further condition that the maximum aggregate fees payable to dealers by NEGEA with respect to any single original registered holder of record of warrants upon the exercise of such warrants shall be $300, except that where a broker, dealer, custodian, or nominee, as the original registered holder of a warrant, advises the Treasurer of NEGEA that the rights evidenced by such warrant are beneficially owned, in whole or in part, by others, the foregoing limitation of $300 shall be applied separately as to each of the beneficial owner.

By the Commission.

[SEAL] ORVAL L. DUBOIS, *Secretary.*

[F. R. Doc. 50-4140; Filed, May 15, 1950; 8:45 a. m.]

[File No. 70-2376]

CITIES SERVICE CO. AND TOLEDO EDISON CO.

ORDER GRANTING APPLICATION AND PERMITTING DECLARATION TO BECOME EFFECTIVE

At a regular session of the Securities and Exchange Commission, held at its

office in the city of Washington, D. C., on the 9th day of May A. D. 1950.

Cities Service Company ("Cities Service"), a registered holding company, and its public utility subsidiary, the Toledo Edison Company ("Toledo Edison"), having filed a joint application-declaration, and an amendment thereto, pursuant to sections 6 (b), 6 (a), 7, 9 (a), 11 (b), 12 (b) and 12 (d) of the Public Utility Holding Company Act of 1935 and Rules U-44, U-45, and U-50 promulgated thereunder, with respect to the following proposed transactions:

Cities Service owns 2,733,144 shares (98.5%) of the common stock of Toledo Edison, the balance being held by the public. Cities Service is required, pursuant to an order of this Commission issued under section 11 (b) (1) of the act, to dispose of its interest in Toledo Edison and proposes to accomplish the disposition through the sale of said common stock of Toledo Edison to the stockholders of Cities Service under a rights offering as described below.

Prior to the rights offering, Toledo Edison proposes to amend its Articles of Incorporation to change its outstanding 2,775,000 shares of $5 par value common stock into 3,760,125 shares of $5 par value common stock on the basis of 1.355 shares of common stock for each share of common stock now outstanding. In connection therewith, Toledo Edison proposes to transfer $4,925,625 of earned surplus to capital stock account in respect of such additional shares. No certificate for or including a fraction of a share will be issued, but in lieu thereof, the corporation will issue non-voting scrip certificates in bearer form which will become void for all purposes after June 30, 1956.

Toledo Edison further proposes to amend its Articles of Incorporation so as: (a) To confer upon the holders of common stock the right of cumulative voting; (b) to give the holders of common stock preemptive rights upon the sale of any additional shares of common stock, other than by a public offering of all of such shares or an offering through underwriters or investment bankers who shall have agreed to make a public offering; and (c) to provide that a majority of the voting power of the corporation shall constitute a quorum at stockholders' meetings except that a majority of the voting shares present may adjourn such meeting from time to time.

Upon completion of the aforesaid change of shares, Cities Service will own 3,703,410.12 shares of common stock of Toledo Edison. Cities Service proposes, on or about May 10, 1950, to offer to its stockholders the right to purchase 3,702,000 of such shares at a price of $9 per share on the basis of one share of common stock of Toledo Edison for each share of common stock of Cities Service owned of record at the close of business on May 4, 1950. Cities Service will apply $6,600,000 of the net proceeds received from the sale of the Toledo Edison common stock to the retirement of its outstanding note held by the First National Bank of New York, and will apply the balance of such net proceeds to the retirement of outstanding 3% Sinking Fund Debentures due 1977 as required by the debenture indenture.

The rights of the stockholders of Cities Service to subscribe for the Toledo Edison stock will be evidenced by transferable warrants which will expire at 3 p. m., e. d. s. t., on May 29, 1950. No fractional warrants to purchase less than one full share of common stock of Toledo Edison will be issued. Holders of less than full shares of common stock of Cities Service will be entitled to receive their pro rata share of any proceeds (after deduction of $9 per share and expenses) from the sale of common stock of Toledo Edison applicable to such fractional share interests as hereinafter set forth. Warrants will not be mailed to stockholders whose addresses are outside the Continental United States and Canada. Instead, Cities Service will advise such stockholders that it is holding their warrants and, unless satisfactory arrangements are made for the exercise or other disposal of such warrants prior to 3 p. m., e. d. s. t., on May 25, 1950, it will sell such warrants and remit the proceeds to such stockholders, or if such remittance cannot be made the proceeds will be held by Cities Service for the accounts of such persons. Cities Service will also sell the warrants that are mailed to its common-stock holders and are returned as undeliverable or where Cities Service does not have mailing addresses for stockholders and their warrants are not called for prior to the same date. These proceeds, together with the proceeds from the sale of warrants deliverable to stockholders outside the Continental United States and Canada but not remitted, will be held by Cities Service for the accounts of the persons who may be entitled thereto until January 1, 1956, after which date any remaining proceeds will revert to Cities Service.

Cities Service also proposes to sell, as soon as reasonably practicable after the expiration of the rights offering, any shares of common stock of Toledo Edison not purchased through the exercise of rights and shares of common stock of Toledo Edison applicable to fractional share interests in Cities Service common stock. If 1 percent or less of the shares offered are unsubscribed, Cities Service proposes to sell such shares through ordinary brokerage channels. If more than 1 percent of the shares are unsubscribed, such shares will be disposed of by appropriate means to be suggested by Cities Service, subject to the approval of the Commission. Upon the sale of such remaining stock of Toledo Edison, and, after deducting $9 per share and the expenses of such sale, the proceeds will be distributed pro rata to registered holders of warrants representing unexercised rights and to the holders of less than full shares of common stock of Cities Service. Funds representing proceeds not so distributed will be held by Cities Service for the persons entitled thereto until January 1, 1956, after which date any remaining proceeds will revert to Cities Service. Cities Service also proposes to sell the remaining 1,410.12 shares of common stock of Toledo Edison owned by it and not included in the offering to stockholders through ordinary brokerage channels or at private sale.

Cities Service has entered into an arrangement with the Chase National Bank of the City of New York ("Agent") pursuant to which a holder of a warrant who desires to purchase up to 10 more shares of Toledo Edison common stock than the rights represented by his warrant may purchase such additional rights through the Agent. Also, a holder of a warrant desiring to purchase a lesser number of shares than the number of rights represented by his warrant and to sell the remainder (but not exceeding 10) of the rights represented thereby, or to sell all rights if the warrant is for 10 rights or less, may make such sale through the Agent. The services of the Agent in connection with such purchases and sales will be rendered without charge to the holders of warrants.

Toledo Edison further proposes, shortly after the completion of the rights offering by Cities Service to its stockholders, to issue and sell for its own account, pursuant to the competitive bidding requirements of Rule U-50, 400,000 additional shares of its common stock. The net proceeds from the sale of such shares will be used to finance, in part, the company's construction program.

Toledo Edison and Cities Service also propose to enter into a tax agreement which will provide, in substance, for the indemnification of Toledo Edison by Cities Service against any liability for Federal income or excess profits taxes during the period covered by consolidated tax returns ending on the date that the company ceases to be eligible to be included in such consolidated tax returns, and for the assignment by Toledo Edison to Cities Service of all of its rights to refunds or credit for Federal income or excess profits taxes during said period and the payment in installments by Toledo Edison to Cities Service of an amount equal to Toledo Edison's reserve for such taxes accrued on its books as of such date.

The total estimated fees and expenses in connection with the proposed transactions amount to $405,892, of which $374,912 will be paid by Cities Service and $30,980 by Toledo Edison. These fees and expenses include $30,000 legal fees to Frueauff, Burns, Ruch & Farrell, counsel for companies; $12,000 legal fees to Welles, Kelsey, Fuller, Harrington & Seney, local counsel; $5,875 to Sullivan & Cromwell for legal services in respect of blue sky law qualifications; a financial adviser's fee of $25,000 to the First Boston Corporation; $3,000 accounting fees to Arthur Andersen & Co.; and a fee of $129,000, plus disbursements not in excess of $50,000, to the Chase National Bank of the City of New York for its services in handling warrants and the exercise of rights. The fee of independent counsel for the underwriters, to be paid by the successful bidder, is estimated at $8,000.

Applicants-declarants have requested that the order herein contain appropriate recitals conforming to the requirements of sections 371, 373 (a) and 1808 (f) of the Internal Revenue Code, as amended, and that the order be issued as

soon as possible and become effective upon issuance.

The said application-declaration having been filed on April 18, 1950, and the amendment thereto having been filed on May 3, 1950, and notice of said filing having been given in the form and manner prescribed by Rule U-23 promulgated pursuant to said act, and the Commission having received a request from Harry C. Rice for a hearing with respect to said application-declaration within the period specified in said notice and having determined that the issues as raised by said request are not sufficient to warrant a hearing in this matter and having denied said request, and not having ordered a hearing thereon; and

The Public Utilities Commission of Ohio having, by order dated April 24, 1950, authorized Toledo Edison (a) to change each of its outstanding 2,775,000 shares of $5 par value common stock into 1.355 shares of $5 par value common stock, and, in connection therewith, to transfer $4,925,625 from earned surplus to capital stock account and (b) to issue a public invitation for bids for the purchase of the additional 400,000 shares of common stock, and having required a report of the company with respect to the results of competitive bidding and a supplemental application of Toledo Edison to the State Commission for consent and authority to issue and sell said additional shares of common stock; and

It appearing to the Commission that the record is incomplete with respect to the fees of counsel for Cities Service and Toledo Edison and the financial adviser's fee, and the Commission deeming it appropriate to reserve jurisdiction with respect to such fees; and

The Commission finding that the requirements of the applicable provisions of the act and rules promulgated thereunder are satisfied and that no adverse findings are necessary with respect to said application-declaration, as amended, and that the estimated fees and expenses, other than fees of counsel for Cities Service and Toledo Edison and the fee of financial adviser, to be incurred in connection with the proposed transactions are not unreasonable; and the Commission deeming it appropriate in the public interest and in the interest of investors and consumers that said application-declaration, as amended, be granted and permitted to become effective forthwith, subject to the terms and conditions set forth below, and the Commission further deeming it appropriate to grant applicants-declarants' request that said order contain the recitals above requested and to grant Toledo Edison's request that the competitive bidding period be shortened to not less than six days;

It is ordered, Pursuant to Rule U-23 and the applicable provisions of the act, that said application-declaration, as amended, be, and the same hereby is, granted and permitted to become effective forthwith, subject to the terms and conditions prescribed in Rule U-24 and subject to the additional conditions:

(1) That the proposed issuance and sale of the 400,000 additional shares of common stock by Toledo Edison shall not be consummated (a) until a further order of the Public Utilities Commission of Ohio expressly authorizing the issuance and sale of said common stock has been entered and we have been advised of the entry of such order and (b) until the results of competitive bidding, pursuant to Rule U-50, have been made a matter of record in this proceeding and a further order shall have been entered by this Commission in the light of the record so completed, which order may contain such further terms and conditions as may then be deemed appropriate, jurisdiction being reserved for such purpose.

(2) That jurisdiction be and is hereby reserved with respect to the payment of fees of counsel for Cities Service and Toledo Edison, and the fee of the financial adviser.

It is further ordered, Pursuant to the request of Toledo Edison, that the ten-day period for inviting bids, as provided by Rule U-50, be, and the same hereby is, shortened to a period of not less than six days.

It is further ordered and recited, And the Commission finds that the aforesaid

(a) Change, by amendment to the Articles of Incorporation, of the 2,775,000 outstanding shares of the common stock of Toledo Edison into 3,760,125 shares of the common stock (each outstanding share to be changed into 1.355 shares) and issuance of the new certificates and shares represented thereby to the common shareholders of Toledo Edison;

(b) Issuance and distribution of the warrants evidencing the rights by Cities Service to its stockholders;

(c) Receipt and exercise or sale of the warrants evidencing the rights by stockholders of Cities Service;

(d) Sale of warrants evidencing rights by Cities Service for or on behalf of its stockholders;

(e) Sale by Cities Service for or on behalf of stockholders of Cities Service of any common stock of Toledo Edison in respect of which the rights are not exercised or of common stock of Toledo Edison applicable to fractional interests in common stock of Cities Service Company and the receipt of proceeds of such sales by such stockholders of Cities Service; and

(f) Sale by Cities Service of the 3,703,410.12 shares of the common stock of Toledo Edison and the application by Cities Service of $6,600,000 of the net proceeds to be received by Cities Service from the sale of said 3,703,410.12 shares of common stock of Toledo Edison to the retirement at the principal amount thereof, of the Cities Service note, dated December 30, 1949, held by the First National Bank of New York and the application of the balance of such proceeds to the retirement of Cities Service 3 percent Sinking Fund Debentures due 1977 in an aggregate principal amount equal to such balance of such proceeds,

all as hereinbefore in this order authorized, approved and directed, are necessary and appropriate to the integration and simplification of the holding company system of which Cities Service and Toledo Edison are members, and are necessary and appropriate to effectuate the provisions of section 11 (b) of the Public Utility Holding Company Act of 1935, within the meaning of sections 371, 373 (a) and 1808 (f) of the Internal Revenue Code, as amended.

By the Commission.

[SEAL] ORVAL L. DUBOIS, *Secretary.*

[F. R. Doc. 50-4141; Filed, May 15, 1950; 8:45 a. m.]

[File No. 70-2387]

WOFFORD CAIN

NOTICE REGARDING FILING

At a regular session of the Securities and Exchange Commission, held at its office in the city of Washington, D. C., on the 9th day of May 1950.

Notice is hereby given that an application has been filed with this Commission pursuant to the Public Utility Holding Company Act of 1935 by Wofford Cain. Applicant has designated sections 9 (a) (2) and 10 of the act as applicable to the proposed transaction.

Notice is further given that any interested person may, not later than May 22, 1950, at 5:30 p. m., e. d. s. t., request the Commission in writing that a hearing be held on such matter, stating the reasons for such request, the nature of his interest and the issues of fact or law raised by said application which he desires to controvert, or may request that he be notified if the Commission should order a hearing thereon. Any such request should be addressed: Secretary, Securities and Exchange Commission, 425 Second Street NW., Washington 25, D. C. At any time after May 22, 1950, said application, as filed, or as amended, may be granted as provided in Rule U-23 of the Rules and regulations promulgated under the act, or the Commission may exempt such transaction as provided in Rules U-20 (a) and U-100 thereof.

All interested persons are referred to said application which is on file in the office of this Commission for a statement of the transaction therein proposed, which is summarized as follows:

Applicant states that he is an affiliate of Arkansas Western Gas Company ("Arkansas"), as that term is defined in section 2 (a) (11) (A) of the act, by reason of his ownership of 19,280 shares or 7.38 percent of Arkansas' outstanding voting securities. Applicant states that he is also an affiliate of Southern Union Gas Company and of Athens Natural Gas Company by reason of his ownership of 96,190 shares, or 6.43 percent, and 450 shares, or 50 percent, respectively of the outstanding voting securities of those companies. Applicant proposes to acquire, directly or indirectly, warrants entitling him to subscribe, directly or indirectly, for not to exceed 2,142 shares of additional common stock to be issued by Arkansas pro rata to its stockholders, and through the exercise of such warrants to acquire, directly or indirectly, 2,142 shares of such additional common

stock at $10.00 per share. Applicant also proposes to acquire, directly or indirectly, additional shares, if any, which the warrants authorize to the subscribed, subject to allotment, and which are in fact allotted thereunder.

By the Commission.

[SEAL] ORVAL L. DUBOIS, *Secretary.*

[F. R. Doc. 50-4144; Filed, May 15, 1950; 8:48 a. m.]

[File No. 811-205]

SIMSBURY CO.

NOTICE OF APPLICATION

At a regular session of the Securities and Exchange Commission, held at its office in the city of Washington, D. C., on the 10th day of May A. D. 1950.

Notice is hereby given that the Simsbury Company (Applicant), Simsbury, Connecticut, a closed-end, management, investment company registered under the Investment Company Act of 1940, has filed an application pursuant to section 8 (f) of the act for an order of the Commission declaring that Simsbury has ceased to be an investment company within the meaning of the act.

It appears from the application that on August 10, 1949, Applicant's stockholders duly voted to amend its certificate of incorporation to limit the duration of its corporate existence to September 7, 1949; that on August 22, 1949, pursuant to section 5219 of the General Statutes of Connecticut (Revision of 1949), a certificate of amendment was filed with the Secretary of State of Connecticut whereupon the said amendment became operative; that a first and final liquidating dividends of $28.40 per share for 1,732 outstanding shares, or a total of $49,188.80 has been declared and paid; that all remaining assets have been disbursed for the payment of ascertainable liabilities, including legal fees aggregating $274.50 and accounting fee of $100; that on December 29, 1949, a Certificate of Termination by Limitation was filed on behalf of Applicant with the Secretary of State of Connecticut, as required by section 5127 of the General Statutes; and that stockholders remain liable for any claims that may have not been provided for.

For a more detailed statement of the matters of fact and law asserted, all persons are referred to said application which is on file in the offices of the Commission in Washington, D. C.

Notice is further given that an order granting the application, in whole or in part and upon such conditions as the Commission may deem necessary or appropriate, may be issued by the Commission at any time after May 24, 1950, unless prior thereto a hearing upon the application is ordered by the Commission, as provided in Rule N-5 of the rules and regulations promulgated under the act. Any interested person may, not later than May 22, 1950, at 5:30 p. m., in writing submit to the Commission his views or any additional facts bearing upon this application or the desirability of a hearing thereon, or request the Commission in writing that a hearing be held thereon. Any such communication or request should be addressed: Secretary, Securities and Exchange Commission, 425 Second Street NW., Washington 25, D. C., and should state briefly the nature of the interest of the person submitting such information or requesting a hearing, the reasons for such request, and the issues of fact or law raised by the application which he desires to controvert.

By the Commission.

[SEAL] NELLYE A. THORSEN, *Assistant Secretary.*

[F. R. Doc. 50-4143; Filed, May 15, 1950; 8:48 a. m.]

UNITED STATES MARITIME COMMISSION

AMERICAN PRESIDENT LINES, LTD. ET AL.

NOTICE OF AGREEMENTS FILED FOR APPROVAL

Notice is hereby given that the following describe agreements have been filed with the Commission for approval pursuant to section 15 of the Shipping Act, 1916, as amended:

Agreement No. 8090, between American President Lines, Ltd., "Italia" Societa per Azioni di Navigazione (Italian Line), and Pacific Far East Line, Inc., provides for the creation of a conference to be known as the Mediterranean/North Pacific Coast Freight Conference for the establishment and maintenance of just and reasonable rates, charges and practices for and in connection with the transportation of all cargo in the trade from ports in the Mediterranean and Black Seas and on the Atlantic Coast of Spain, Morocco and Portugal to U. S. and Canadian Pacific Coast ports and to the Hawaiian Islands.

Agreement No. 59-35, between member lines of the River Plate & Brazil Conferences, modifies the basic agreement of said conferences to provide that no member shall permit its agents to represent any vessels in the trade other than those operated for the account of a member except as may be unanimously approved by the Conference. Agreement No. 59 as presently worded prohibits members only from representing nonconference vessels in the trade. The River Plate and Brazil Conferences were established to promote commerce (except shipments of refrigerated cargo) from ports of the United States of America and Canada (except Pacific Coast ports of the United States and Canada), to ports in Uruguay, Argentina, Paraguay and Brazil.

Interested parties may inspect these agreements and obtain copies thereof at the Commission's Office of Regulation, Washington, D. C., and may submit to the Commission within 20 days after publication of this notice written statements with reference to either of the agreements and their position as to approval, disapproval, or modification, together with request for hearing should such hearing be desired.

Dated: May 10, 1950, at Washington, D. C.

By the Commission.

[SEAL] A. J. WILLIAMS, *Secretary.*

[F. R. Doc. 50-4158; Filed, May 15, 1950; 8:50 a. m.]

DEPARTMENT OF JUSTICE

Office of Alien Property

AUTHORITY: 40 Stat. 411, 55 Stat. 839, Pub. Laws 322, 671, 79th Cong., 60 Stat. 50, 925; 50 U. S. C. and Supp. App. 1, 616; E. O. 9193, July 6, 1942, 3 CFR, Cum. Supp., E. O. 9567, June 8, 1945, 3 CFR, 1945 Supp., E. O. 9788, Oct. 14, 1946, 11 F. R. 11981.

[Vesting Order 14595]

FREDERICK KREICKER AND GRACE KREICKER

In re: Mortgage owned by Frederick Kreicker, also known as Friederich Kreicker, and as Fred Kreicker, and Grace Kreicker, also known as Kreszenz Kreicker.

Under the authority of the Trading With the Enemy Act, as amended, Executive Order 9193, as amended, and Executive Order 9788, and pursuant to law, after investigation, it is hereby found:

1. That Frederick Kreicker, also known as Friederich Kreicker and as Fred Kreicker, and Grace Kreicker, his wife, also known as Kreszenz Kreicker, are citizens of Germany who, on or since the effective date of Executive Order 8389, as amended, and on or since December 11, 1941, were domiciled and resident in Germany and are nationals of a designated enemy country (Germany);

2. That the property described as follows: A mortgage, executed April 6, 1939, by Rose Del Vecchio to Frederick Kreicker and Grace Kreicker, his wife, and recorded April 7, 1939, in the Register's Office of Kings County, State of New York, in Liber 8342, Page 272, Block 402 of Mortgages, and any and all obligations secured by said mortgage, including but not limited to all security rights in and to any and all collateral (including the aforesaid mortgage) for any and all such obligations, and the right to enforce and collect such obligations, and the right to possession of the aforesaid mortgage, and any and all notes, bonds and other instruments evidencing such obligations,

is property within the United States owned or controlled by, payable or deliverable to, held on behalf of or on account of, or owing to, or which is evidence of ownership or control by, the aforesaid nationals of a designated enemy country (Germany);

and it is hereby determined:

3. That to the extent that the persons named in subparagraph 1 hereof are not within a designated enemy country, the national interest of the United States requires that such persons be treated as nationals of a designated enemy country (Germany).

All determinations and all action required by law, including appropriate consultation and certification, having been made and taken, and, it being

deemed necessary in the national interest,

There is hereby vested in the Attorney General of the United States the property described above, to be held, used, administered, liquidated, sold or otherwise dealt with in the interest of and for the benefit of the United States.

The terms "national" and "designated enemy country" as used herein shall have the meanings prescribed in section 10 of Executive Order 9193, as amended.

Executed at Washington, D. C., on May 1, 1950.

For the Attorney General.

[SEAL] HAROLD I. BAYNTON,
Acting Director,
Office of Alien Property.

[F. R. Doc. 50-4159; Filed, May 15, 1950; 8:51 a. m.]

[Vesting Order 14606]

BERTHA K. PEMPLE

In re: Estate of Bertha K. Pemple, deceased. File No. 017-25458.

Under the authority of the Trading With the Enemy Act, as amended, Executive Order 9193, as amended, and Executive Order 9788, and pursuant to law, after investigation, it is hereby found:

1. That Anna Hubshman, also known as Anna Hubsman, Kurt Valentin, Clara Heinze and Ferdinand Paul Valentin, whose last known address is Germany, are residents of Germany and nationals of a designated enemy country (Germany);

2. That all right, title, interest and claim of any kind or character whatsoever of the persons named in subparagraph 1 hereof, in and to the estate of Bertha K. Pemple, deceased, is property payable or deliverable to, or claimed by, the aforesaid nationals of a designated enemy country (Germany);

3. That such property is in the process of administration by the First Judge of Probate Court, Suffolk County, Massachusetts, acting under the judicial supervision of the Probate Court, Suffolk County, Boston, Massachusetts;

and it is hereby determined:

4. That to the extent that the persons named in subparagraph 1 hereof are not within a designated enemy country, the national interest of the United States requires that such persons be treated as nationals of a designated enemy country (Germany).

All determinations and all action required by law, including appropriate consultation and certification, having been made and taken, and, it being deemed necessary in the national interest,

There is hereby vested in the Attorney General of the United States the property described above, to be held, used, administered, liquidated, sold or otherwise dealt with in the interest of and for the benefit of the United States.

The terms "national" and "designated enemy country" as used herein shall have the meanings prescribed in section 10 of Executive Order 9193, as amended.

Executed at Washington, D. C., on May 1, 1950.

For the Attorney General.

[SEAL] HAROLD I. BAYNTON,
Acting Director,
Office of Alien Property.

[F. R. Doc. 50-4160; Filed, May 15, 1950; 8:51 a. m.]

[Vesting Order 14609]

JOSEPH SIGMUND AND POTTER TITLE AND TRUST CO.

In re: Trust agreement dated October 11, 1944, between Joseph Sigmund, donor, and Potter Title and Trust Company, trustee. File No. D-28-12679; E. T. sec. Nq. 16855.

Under the authority of the Trading With the Enemy Act, as amended, Executive Order 9193, as amended, and Executive Order 9788, and pursuant to law, after investigation, it is hereby found:

1. That Georg (George) Sigmund is a citizen of Germany who, on or since the effective date of Executive Order No. 8389, as amended, and on or since December 11, 1941, has been acting or purporting to act directly or indirectly for the benefit or on behalf of a designated enemy country (Germany) and is a national of a designated enemy country (Germany);

2. That Othmar (Otmar) Sigmund, Leo Sigmund and Adolf Charles (Alf. C.) Sigmund, whose last known address is Germany, are residents of Germany and nationals of a designated enemy country (Germany);

3. That all right, title, interest and claim of any kind or character whatsoever of the persons named in subparagraphs 1 and 2 hereof, and each of them, in and to and arising out of or under that certain trust agreement dated October 11, 1944, by and between Joseph Sigmund, donor, and Potter Title and Trust Company, trustee, is property payable or deliverable to, or claimed by, the aforesaid nationals of a designated enemy country (Germany);

4. That such property is in the process of administration by Potter Title and Trust Company, as trustee, acting under the judicial supervision of the Orphans' Court of Allegheny County, Pittsburgh, Pennsylvania;

and it is hereby determined:

5. That Georg (George) Sigmund is controlled by or acting for or on behalf of a designated enemy country (Germany) and is a national of a designated enemy country (Germany);

6. That to the extent that the persons named in subparagraphs 1 and 2 hereof are not within a designated enemy country, the national interest of the United States requires that such persons be treated as nationals of a designated enemy country (Germany).

All determinations and all action required by law, including appropriate consultation and certification, having been made and taken, and, it being deemed necessary in the national interest,

There is hereby vested in the Attorney General of the United States the property described above, to be held, used, administered, liquidated, sold or otherwise dealt with in the interest of and for the benefit of the United States.

The terms "national" and "designated enemy country" as used herein shall have the meanings prescribed in section 10 of Executive Order 9193, as amended.

Executed at Washington, D. C., on May 1, 1950.

For the Attorney General.

[SEAL] HAROLD I. BAYNTON,
Acting Director,
Office of Alien Property.

[F. R. Doc. 50-4161; Filed, May 15, 1950; 8:51 a. m.]

[Vesting Order 14611]

JOHN VNOK

In re: Estate of John Vnok, also known as John Vinok, also known as Johan Winuck, deceased. File No. D-28-12801; E. T. sec. No. 16975.

Under the authority of the Trading With the Enemy Act, as amended, Executive Order 9193, as amended, and Executive Order 9788, and pursuant to law, after investigation, it is hereby found:

1. That Mary Shenisky and Ludwig Vinok (Vnuck), whose last known address is Germany, are residents of Germany and nationals of a designated enemy country (Germany);

2. That all right, title, interest and claim of any kind or character whatsoever of the persons named in subparagraph 1 hereof in and to the estate of John Vnok, also known as John Vinok, also known as Johan Winuck, deceased, is property payable or deliverable to, or claimed by, the aforesaid nationals of a designated enemy country (Germany);

3. That such property is in the process of administration by the Clerk, Orphans' Court of Cambria County, Pennsylvania, as depositary, acting under the judicial supervision of the Orphans' Court of Cambria County, Ebensburg, Pennsylvania;

and it is hereby determined:

4. That to the extent that the persons named in subparagraph 1 hereof are not within a designated enemy country, the national interest of the United States requires that such persons be treated as nationals of a designated enemy country (Germany).

All determinations and all action required by law, including appropriate consultation and certification, having been made and taken, and, it being deemed necessary in the national interest,

There is hereby vested in the Attorney General of the United States the property described above, to be held, used, administered, liquidated, sold or otherwise dealt with in the interest of and for the benefit of the United States.

The terms "national" and "designated enemy country" as used herein shall have the meanings prescribed in section 10 of Executive Order 9193, as amended.

Executed at Washington, D. C., on May 1, 1950.

For the Attorney General.

[SEAL] HAROLD I. BAYNTON,
Acting Director,
Office of Alien Property.

[F. R. Doc. 50-4162; Filed, May 15, 1950; 8:51 a. m.]

[Vesting Order 14625]

AUGUST SCHEY ET AL.

In re: Real property owned by August Schey and Frieda Scheyer, nee Schey, also shown as Frida Scheyer, and rights and interests therein owned by Martha Schey, wife of said August Schey, and Alfred Scheyer, husband of said Frieda Scheyer.

Under the authority of the Trading With the Enemy Act, as amended, Executive Order 9193, as amended, and Executive Order 9788, and pursuant to law, after investigation, it is hereby found:

1. That the persons, whose names and last known addresses appear below, are residents of Germany and nationals of a designated enemy country (Germany):

Names and Addresses

August Schey and Martha Schey, his wife, 76 Fontaneweg, Stettin, Germany.

Frieda Scheyer, nee Schey, also known as Frida Scheyer, and Alfred Scheyer, her husband, Riedoschingen, near Donaueschingen, Germany.

2. That the property described as follows: Real property, situated in the County of Lucas, State of Ohio, particularly described in Exhibit A, attached hereto and by reference made a part hereof, together with all hereditaments, fixtures, improvements and appurtenances thereto, and any and all claims for rents, refunds, benefits or other payments, arising from the ownership of such property,

is property within the United States owned or controlled by, payable or deliverable to, held on behalf of or on account of, or owing to, or which is evidence of ownership or control by, the aforesaid nationals of a designated enemy country (Germany);

and it is hereby determined:

3. That to the extent that the persons named in subparagraph 1 hereof are not within a designated enemy country, the national interest of the United States requires that such persons be treated as nationals of a designated enemy country (Germany).

All determinations and all action required by law, including appropriate consultation and certification, having been made and taken, and, it being deemed necessary in the national interest,

There is hereby vested in the Attorney General of the United States the property described in subparagraph 2 hereof, subject to recorded liens, encumbrances and other rights of record held by or for persons who are not nationals of designated enemy countries, to be held, used, administered, liquidated, sold or otherwise dealt with in the interest of and for the benefit of the United States.

The terms "national" and "designated enemy country" as used herein shall have the meanings prescribed in section 10 of Executive Order 9193, as amended.

Executed at Washington, D. C., on May 8, 1950.

For the Attorney General.

[SEAL] HAROLD I. BAYNTON,
Acting Director,
Office of Alien Property.

EXHIBIT A

All that real property situated in the County of Lucas, State of Ohio, and more particularly described as follows:

Parcel 1. Lot 112, Reno-by-the-Lake, Plat 1, Jerusalem Township;

Parcel 2. Lot 39, Hillwood Gardens, Oregon Township;

Parcel 3. Lot 76, Victory Place, Oregon Township;

Parcel 4. Lot 1, Dorr Street Park Addition to Toledo;

Parcel 5. Lot 194 Homestead Addition, Oregon Township;

Parcel 6. Lot 138 Lorraine Place, in Adams Township; and

Parcel 7. Lot 30, Block 12, Case's Addition, Oregon Township;

Being the same property which was transferred in equal shares to August Schey and Frieda Scheyer, by instrument entitled, "Certificate for Transfer of Real Estate," Administration Number 32694, dated July 6, 1938, Probate Court, Lucas County, Ohio, In the Matter of the Estate of Ernest Schey, Deceased, which instrument was recorded July 18, 1938, in the Office of Recorder of the aforesaid county and state, in Volume 966 of Deeds, at Page 199.

[F. R. Doc. 50-4163; Filed, May 15, 1950; 8:51 a. m.]

[Vesting Order 14626]

ANNA HICK AND OLIVIER VON BEAULIEU MARCONNAY

In re: Interest in real property owned by Anna Hick and the personal representatives, heirs, next of kin, legatees and distributees of Olivier von Beaulieu Marconnay, deceased.

Under the authority of the Trading With the Enemy Act, as amended, Executive Order 9193, as amended, and Executive Order 9788, and pursuant to law, after investigation; it is hereby found:

1. That Anna Hick, whose last known address is 2 Graenzmuehle, Marquartstein, Upper Bavaria, Germany, is a resident of Germany and a national of a designated enemy country (Germany);

2. That the personal representatives, heirs, next of kin, legatees and distributees of Olivier von Beaulieu Marconnay, deceased, who there is reasonable cause to believe are residents of Germany, are nationals of a designated enemy country (Germany);

3. That the property described as follows: The reversionary or ground rent interest in and to the real property situated in the City of Baltimore, State of Maryland, particularly described in Exhibit A, attached hereto and by reference made a part hereof, together with all hereditaments, fixtures, improvements and appurtenances thereto, and any and all claims for rents, refunds, benefits or other payments, arising from the ownership of such interest,

is property within the United States owned or controlled by, payable or deliverable to, held on behalf of or on account of, or owing to, or which is evidence of ownership or control by, Anna Hick and the personal representatives, heirs, next of kin, legatees and distributees of Olivier von Beaulieu Marconnay, deceased, the aforesaid nationals of a designated enemy country (Germany);

and it is hereby determined:

4. That to the extent that the person named in subparagraph 1 hereof and the personal representatives, heirs, next of kin, legatees and distributees of Olivier von Beaulieu Marconnay, deceased, are not within a designated enemy country, the national interest of the United States requires that such persons be treated as nationals of a designated enemy country (Germany).

All determinations and all action required by law, including appropriate consultation and certification, having been made and taken, and, it being deemed necessary in the national interest,

There is hereby vested in the Attorney General of the United States the property described in subparagraph 3 hereof, subject to recorded liens, encumbrances and other rights of record held by or for persons who are not nationals of designated enemy countries,

All such property so vested to be held, used, administered, liquidated, sold or otherwise dealt with in the interest of and for the benefit of the United States.

The terms "national" and "designated enemy country" as used herein shall have the meanings prescribed in section 10 of Executive Order 9193, as amended.

Executed at Washington, D. C., on May 8, 1950.

For the Attorney General.

[SEAL] HAROLD I. BAYNTON,
Acting Director,
Office of Alien Property.

EXHIBIT A

Beginning for the same on the line of the west side of Fulton Avenue at a point distant one hundred fifteen feet and nine inches north from the corner formed by the intersection of the north side of Lafayette Avenue and the west side of Fulton Avenue, which place of beginning is designed to be in the centre of the partition wall dividing the house on the lot now being described and the house on the lot adjoining thereto on the south; and running thence northerly, bounding on the west side of Fulton Avenue, nineteen feet and three inches, to the centre of the partition wall between the house on the lot now being described and the house on the lot adjoining thereto on the north; thence westerly, through the center of the last mentioned partition wall and parallel with Lafayette Avenue, one hundred sixteen feet six and three-quarter inches, more or less, to the centre of Kirby's Lane; thence southerly, along the centre of Kirby's Lane, nineteen feet and three inches, more or less, to intersect a line drawn westerly from the beginning, through the centre of the first mentioned partition wall parallel with Lafayette Avenue; and thence easterly, reversing the line so drawn and bounding thereon, through the centre of said first mentioned partition wall, one hundred seventeen feet and one inch, more or less, to the place of beginning; the improvements on said lot of ground being known as No. 912 N. Fulton Avenue.

[F. R. Doc. 50-4164; Filed, May 15, 1950; 8:51 a. m.]